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## **PROCEDURAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS**

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Items:                   A1, A2, A3

Action:               Pursuant to the by-laws and procedures of CMFA, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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## **PARK LANE APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Burbank Housing Development Corporation
Action:	Initial Resolution
Amount:	\$18,500,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Petaluma, Sonoma County, California
Activity:	Affordable Housing
Meeting:	September 19, 2014

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### Background:

Burbank Housing Development Corporation (“Burbank Housing”) is a nonprofit organization dedicated to increasing the supply of housing in Sonoma County, so that low-income people of all ages, backgrounds, and special needs will have a better opportunity to live in decent and affordable housing. Organized in 1980, Burbank provides qualified nonprofit housing development, ownership, and management services in Sonoma County.

Burbank Housing builds and manages family and senior rental housing and creates home ownership opportunities, largely through its mutual self-help program. Burbank Housing collaborates with service organizations to provide supportive housing for people with special needs, including people who are elderly, physically or mentally disabled, farm workers, or homeless.

This is the CMFA’s fourth project with Burbank Housing.

### The Project:

The Park Lane Apartments project is an acquisition/ rehabilitation of an existing affordable housing apartment complex. The project is an existing 90-unit, two-story garden style building built in 1973. The project’s 90-units will be restricted to residents with household incomes no greater than 60% of the Area Median Income with exception to the one managers unit. The project will include substantial rehabilitation to address replacement of major building systems, increase energy and water efficiency, and will include a 20-year renewal of the HAP contract. The project grounds will include a Community Building with library/fitness room, community

kitchen, laundry facility, play equipment and a basketball half-court. The Park Lane Apartment project is located at 109 Magnolia Avenue in the City of Petaluma, Sonoma County. The financing of this project will result in the retention of 89 affordable apartments for another 55 years in the City of Petaluma.

The City of Petaluma:

The City of Petaluma is a member of the CMFA and will need to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$9,875 as part of CMFA's sharing of Issuance Fees.

Proposed Permanent Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 8,334,000
Seller Financing:	\$ 8,473,417
Project Reserves:	\$ 926,468
Income from Operations:	\$ 342,991
Equity:	<u>\$ 9,667,671</u>
Total Sources:	\$ 27,744,547

Uses of Funds:

Land Acquisition:	\$ 200,000
Building Acquisition:	\$ 12,300,000
Rehabilitation:	\$ 8,721,939
New Machinery & Equipment:	\$ 45,000
Architectural & Engineering:	\$ 201,500
Legal & Professional:	\$ 317,800
Construction Loan Interest:	\$ 466,652
Other Acquisition Costs:	\$ 1,000,118
Soft Costs/ Reserves:	\$ 1,612,722
Developer Fee:	\$ 2,475,000
Cost of Issuance:	<u>\$ 403,816</u>
Total Uses:	\$ 27,744,547

Terms of Transaction:

Amount:	\$18,500,000
Maturity:	17 years.
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March, 2015

Public Benefit:

A total of 89 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Petaluma, California. Services at the complex will include a community building with library/ fitness room, community kitchen, laundry facility, play equipment and a basketball court. There will also be an onsite service coordinator. The project will offer a CSFP Program for families with children and seniors, as well as provide access to farm fresh produce through the Redwood Empire Food Bank.

Percent of Restricted Rental Units in the Project: 100%  
20% (18 Units) restricted to 50% or less of area median income households; and  
80% (71 Units) restricted to 60% or less of area median income households  
Unit Mix: Studio, One-, and two-bedrooms  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$18,500,000 for Park Lane Apartments affordable multi-family housing facility located in the City of Petaluma, Sonoma County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



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## **815 N. HARBOR APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	C&C Development
Action:	Initial Resolution
Amount:	\$16,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Santa Ana, Orange County, California
Activity:	Affordable Housing
Meeting:	September 19, 2014

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### Background:

C&C Development is a full service Real Estate Development Company with over 30 years of experience. C&C Development approaches every project with the long-term in mind. Through quality of design and construction, they're not only developing projects to be successful today, they're developing projects that will remain successful 10, 20, and 30 years into the future.

The principals and senior management staff of C&C Development take a hands-on approach to all aspects of the real estate development process: acquisition, entitlement, financing, construction, management, and ownership. The company is closely associated with many of the finest professional consultants in the business; architects, land planners, engineers, attorneys and accountants.

C&C works closely with City staff to effectively utilize and leverage available funds to meet affordable housing production requirements as well as to achieve redevelopment goals relating to neighborhoods and specific properties. C&C's wealth of experience in structuring complex project financing enables it to use a variety of funding sources including: tax exempt bonds, low-income housing tax credits, tax increment financing, as well as NSP, HOME, CDBG, HUD and conventional financing.

### The Project:

The 815 N. Harbor Apartments project is a new construction multifamily affordable housing project. The site contains 2.26 acres and was improved with a structure being used as a RV supply store, but is presently vacant. The project will involve demolition of the existing structure

and the new development of a 70-unit, mixed income, mixed use rental community. The project will incorporate 6,170 square feet of ground floor street retail space. 80% of the units will be affordable to families earning 60% or less of area median income. The remaining portion of the project will consist of units restricted to 110% or less of area median income.

The property is presently within North Harbor Specific Plan, within the Recreational Vehicle/Automotive district. The City of Santa Ana's 2009-2013 housing element identified a need for additional housing within the City and recommended the Harbor Boulevard Corridor as a way to fill the housing void. The developer's proposed design of 70 residential units in a three-story residential building will be in line with the Harbor Boulevard Mixed Use Transit Corridor Plan.

This new multi-family community will have a beautifully landscaped courtyard, an outdoor recreation area, covered parking and community room. The construction of this project will provide affordable housing for 56 families for 55 years. The project is located at 803-815 North Harbor Boulevard, Santa Ana, California

#### The City of Santa Ana:

The City of Santa Ana is a member of the CMFA and will need to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$10,000 as part of CMFA's sharing of Issuance Fees.

#### Proposed Construction Financing:

##### Sources of Funds:

Tax-Exempt Bond:	\$ 14,580,978
City of Santa Ana:	\$ 3,675,000
Deferred Developer Fee:	\$ 923,737
Costs Deferred to Completion:	\$ 1,152,223
Equity:	<u>\$ 1,380,612</u>
Total Sources:	\$ 21,712,550

##### Uses of Funds:

Land Acquisition:	\$ 3,856,366
New Construction:	\$ 10,500,000
Architectural & Engineering:	\$ 1,018,504
Legal & Professional:	\$ 220,000
Lender Fees & Expenses:	\$ 380,517
Impact & Permit Fees:	\$ 1,465,000
Reserves:	\$ 350,000
Other Development Costs:	\$ 3,811,647
Cost of Issuance:	<u>\$ 110,516</u>
Total Uses:	\$ 21,712,550

Terms of Transaction:

Amount:	\$16,000,000
Maturity:	17 years.
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	August, 2015

Public Benefit:

A total of 56 households will be able to enjoy high quality, independent, affordable housing in the City of Santa Ana, California. Services at the complex will include a community room, covered parking and laundry facility. The project will also be creating 6,170 square feet of ground floor retail, providing new business growth and employment to the City.

Percent of Restricted Rental Units in the Project: 80%  
10% (7 Units) restricted to 50% or less of area median income households; and  
70% (49 Units) restricted to 60% or less of area median income households  
Unit Mix: two-bedrooms  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb and Lipman LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$16,000,000 for 815 N. Harbor Apartments affordable multi-family housing facility located in the City of Santa Ana, Orange County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



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## **CITRUS GROVE II APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	C&C Development
Action:	Initial Resolution
Amount:	\$17,500,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Orange, Orange County, California
Activity:	Affordable Housing
Meeting:	September 19, 2014

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### Background:

C&C Development is a full service Real Estate Development Company with over 30 years of experience. C&C Development approaches every project with the long-term in mind. Through quality of design and construction, they're not only developing projects to be successful today, they're developing projects that will remain successful 10, 20, and 30 years into the future.

The principals and senior management staff of C&C Development take a hands-on approach to all aspects of the real estate development process: acquisition, entitlement, financing, construction, management, and ownership. The company is closely associated with many of the finest professional consultants in the business; architects, land planners, engineers, attorneys and accountants.

C&C works closely with City staff to effectively utilize and leverage available funds to meet affordable housing production requirements as well as to achieve redevelopment goals relating to neighborhoods and specific properties. C&C's wealth of experience in structuring complex project financing enables it to use a variety of funding sources including: tax exempt bonds, low-income housing tax credits, tax increment financing, as well as NSP, HOME, CDBG, HUD and conventional financing.



### The Project:

The Citrus Grove II Apartment Project is a new construction multifamily affordable housing project. The site is approximately 3.47 acres and consists of industrial buildings constructed between 1965 and 1985 along with a former rail line that will be demolished. The project will involve new development of an 82-unit rental community. The project will be 100% affordable consisting of two bedroom apartments for families who earn at or below 60% of the area median income. The construction of this project will provide affordable housing for 82 families for 55 years.

The site is adjacent to the borrower's 57-unit, 100% affordable project, Citrus Grove Apartments. The construction on that project was completed in 2010. The project is located at 1148 North Lemon Street in the City of Orange, County of Orange.

### The City of Orange:

The City of Orange will need to become a member of the CMFA and hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$10,938 as part of CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond:	\$ 15,907,024
City of Orange:	\$ 7,986,000
Deferred Developer Fee:	\$ 1,832,847
Costs Deferred to Completion:	\$ 683,812
Equity:	<u>\$ 1,978,399</u>
Total Sources:	\$ 28,388,082

#### Uses of Funds:

Land Acquisition:	\$ 8,100,000
New Construction:	\$ 11,902,716
Architectural & Engineering:	\$ 730,000
Legal & Professional:	\$ 305,000
Lender Fees & Expenses:	\$ 383,629
Impact & Permit Fees:	\$ 2,100,000
Reserves:	\$ 265,000
Other Development Costs:	\$ 4,473,958
Cost of Issuance:	<u>\$ 127,779</u>
Total Uses:	\$ 28,388,082

### Terms of Transaction:

Amount:	\$17,500,000
Maturity:	17 years.
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December, 2015

Public Benefit:

A total of 82 high quality, independent, affordable units will be created for families living in the City of Orange, California. Amenities at the complex will include a community building, tot lots, active and passive open space and laundry facilities. There will also be after school programs for children and adult classes by Lighthouse Learning Centers will be available at the developer's adjacent site.

Percent of Restricted Rental Units in the Project: 100%  
11% (9 Units) restricted to 50% or less of area median income households; and  
89% (72 Units) restricted to 60% or less of area median income households  
Unit Mix: two-bedrooms  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb and Lipman LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$17,500,000 for Citrus Grove II Apartments affordable multi-family housing facility located in the City of Orange, Orange County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



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## **6800 MISSION FAMILY APARTMENTS SUMMARY AND RECOMMENDATIONS**

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**Applicant:** MidPen Housing Corporation

**Action:** Initial Resolution

**Amount:** \$25,000,000

**Purpose:** Finance Affordable Multi-Family Rental Housing Facility  
Located in the City of Daly City, County of San Mateo,  
California

**Activity:** Affordable Housing

**Meeting:** September 19, 2014

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### Background:

MidPen Housing Corporation ("MidPen") is one of the nation's leading non-profit developers, owners and managers of high-quality affordable housing. MidPen has developed over 100 communities and 6,600 homes for low-income families, seniors and special needs individuals throughout Northern California over the last 40 years. MidPen's developments are award-winning and nationally recognized. MidPen has extensive experience in site acquisition and planning, entitlements, community outreach, design, and construction management. The organization has a solid track record in securing both public and private funding and proven expertise in positioning projects for long-term financial sustainability. In addition, MidPen provides comprehensive on-site services and programs to help residents advance. These services are delivered through the organization's staff and a network of over 300 service provider partners. This is our tenth transaction with Mid-Peninsula Housing Coalition.

### The Project:

The 6800 Mission Apartment project is a new construction 52 unit multifamily affordable housing project. The project will be located at 6800 Mission Street, Daly City, California. The 4-story, 52-unit apartment complex will have a concrete podium parking garage and the building will include a community room, computer lab and exercise room. The project will also include a courtyard with child play structure. The property is close to amenities for daily needs such as grocery stores, pharmacy and transit services. Out of the 52 units, 51 will be restricted to

households with incomes no greater than 30-60% of the area median income. The financing of this project will result in the preservation of affordability for 51 apartments for 55 years.

The City of Daly City:

The City of Daly City is a member of the CMFA and is expected to hold a TEFRA hearing on October 13, 2014. Upon closing, the City is expected to receive approximately \$12,500 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 21,770,000
Seller Takeback Note:	\$ 2,420,000
Tax Credit Investor Proceeds:	\$ 984,864
County of San Mateo AHF:	\$ 2,350,000
City of Daly City HOME:	\$ 1,494,997
AHP and/or County HAP:	\$ 1,795,823
County HOME/ CDBG:	<u>\$ 2,270,425</u>
Total Sources:	\$ 33,086,109

Uses of Funds:

Land Acquisition:	\$ 4,541,076
New Construction:	\$ 20,700,611
Architectural & Engineering:	\$ 1,297,500
Legal & Professional:	\$ 75,500
Financing & Syndication:	\$ 94,640
Construction Interest & Fees:	\$ 1,928,801
Impact & Permit Fees:	\$ 1,063,334
Reserves:	\$ 218,147
Developer Fee:	\$ 2,500,000
Other Soft Costs:	<u>\$ 666,500</u>
Total Uses:	\$ 33,086,109

Terms of Transaction:

Amount:	\$25,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2015

Public Benefit:

A total of 51 households will be able to enjoy high quality, independent, affordable housing in the City of Daly City. The project will provide services such as, educational classes, health and wellness classes, onsite service coordinator and after school programs. The construction of this project will provide affordable living in the City of Daly City for 55 years.

Percent of Restricted Rental Units in the Project: 100%  
12% (6 Units) restricted to 30% or less of area median income households; and  
20% (10 Units) restricted to 35% or less of area median income households; and  
43% (22 Units) restricted to 50% or less of area median income households; and  
25% (13 Units) restricted to 60% or less of area median income households.  
Unit Mix: 1-, 2- & 3-bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$25,000,000 for 6800 Mission Family Housing affordable multi-family housing facility located in the City of Daly City, San Mateo County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



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## **CAMINO ESPERANZA APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Cabrillo Economic Development Corporation
Action:	Final Resolution
Amount:	\$6,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Simi Valley, Ventura County, California
Activity:	Affordable Housing
Meeting:	September 19, 2014

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### Background:

This is the CMFA's seventh transaction with Cabrillo Economic Development Corporation ("CEDC"). CEDC has progressed from a grower-owned labor camp to a countywide housing and economic development corporation serving diverse socio-economic populations.

In 1975, farm worker families living in substandard housing conditions in Cabrillo Village (Saticoy, CA) received eviction notices from the labor camp's grower-owners. Resisting the razing of their homes, 80 farm worker families raised money to purchase the land, started the Cabrillo Improvement Association (CIA), and became the land's legal owners on Cinco de Mayo 1976.

Over the next five years, the CIA rehabbed 80 homes, developed two new housing complexes totaling 79 units, started three new business ventures to expand the neighborhood's economic base, and provided social services to farm worker families. In 1981, in a decision to expand past its original borders, a countywide community development corporation was formed that became CEDC.

Since these humble beginnings, CEDC has built more than 1,000 units of affordable for-sale and multi-family rental housing, manages 440 affordable rental units, and has counseled more than 1,800 households preparing to purchase a home. In addition, CEDC has helped 275 families into homeownership through education, counseling and lending services.

CEDC is the leading non-profit affordable housing producer in Ventura County.

### The Project:

The Camino Esperanza Apartments is a new construction project of a 31-unit affordable multifamily rental housing facility located at 1384 Katherine Road South, Simi Valley, California. The vacant, undeveloped 2.61-acre site will have six single-story buildings of five one-bedroom apartments at 540 sq. ft. plus a separate building for the 820 sq. ft. two-bedroom manager's unit. Also included is a 1,324 sq. ft. community building for the tenants to gather, hold meetings and socialize using the kitchenette. Outdoor common recreation areas are provided along with private patios. 31 tenant and 8 guest parking spaces are available. The project will cater to adults with developmental disabilities. The units are restricted to households making 50% or less of area median income. Construction is scheduled to begin in July 2014, and is expected to be completed by December 2015. The financing of this project will result in the creation of 31 affordable apartments for the next 55 years.

### The City of Simi Valley:

The City of Simi Valley is a member of the CMFA and held a TEFRA hearing on March 31, 2014. Upon closing, the City is expected to receive approximately \$3,750 as part of CMFA's sharing of Issuance Fees.

### Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 6,000,000	\$ 0
Developer Equity:	\$ 100	\$ 100
Deferred Developer Fee:	\$ 653,900	\$ 653,900
LIH Tax Credit Equity:	\$ 552,775	\$ 4,063,028
Direct & Indirect Public Funds:	\$ 4,095,300	\$ 6,930,300
Other (Deferred Costs):	\$ 345,253	\$ 0
Total Sources:	\$ 11,647,328	\$ 11,647,328

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 1,550,000
On & Off Site Costs:	\$ 1,651,309
Hard Construction Costs:	\$ 3,521,997
Architect & Engineering Fees:	\$ 577,670
Contractor Overhead & Profit:	\$ 362,409
Developer Fee:	\$ 1,213,400
Cost of Issuance:	\$ 189,600
Capitalized Interest:	\$ 290,600
Other Soft Costs (Marketing, etc.):	\$ 2,290,343
Total Uses:	\$ 11,647,328

### Terms of Transaction:

Amount:	\$6,000,000
Maturity:	2 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement.
Estimated Closing:	September, 2014

Public Benefit:

A total of 31 households will be able to enjoy high quality, independent, affordable housing in the City of Simi Valley. Services at the complex will include a common community building with kitchenette, outdoor common recreation areas, private patios, onsite service manager and support programs. The construction of this project will provide affordable living in the City of Simi Valley for 55 years.

Percent of Restricted Rental Units in the Project: 100%  
100% (30 Units) restricted to 50% or less of area median income households.  
Unit Mix: 1 bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	Bank of the West
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Tomasi Salyer Baroway LLP
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$6,000,000 for the Camino Esperanza Apartments affordable housing project located in the City of Simi Valley, Ventura County, California.





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## **THE CAMPHORA APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: Eden Housing, Inc.

Action: Final Resolution

Amount: \$11,000,000

Purpose: Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Soledad, County of Monterey, California

Activity: Affordable Housing

Meeting: September 19, 2014

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### Background:

Eden Housing was founded in May of 1968 by six community activists who were greatly concerned about the lack of non-discriminatory, affordable housing in Alameda County. Eden's housing now includes rental apartments, first-time homeowner opportunities, cooperatives, and supportive living environments for families, seniors and people with disabilities.

Although Eden Housing's initial home base for development was Alameda County, Eden's charter calls for the organization to work wherever there is a need for affordable housing in California. Eden has so far partnered with twenty-seven cities in seven counties and is expanding its geographical operations at a rapid pace to new communities, including the San Joaquin Valley.

In the mid-1980s, in an effort to guarantee that its properties remain well-kept and affordable for the long term, Eden incorporated an affiliated property management company, Eden Housing Management, Inc., (EHMI). EHMI currently provides quality onsite management and maintenance of more than 4,000 affordable homes in ten counties throughout California. Eden also expanded the scope of affordable housing development to include the provision of free onsite support services and programs for its residents. To design and implement its resident support services, Eden founded an additional affiliate, nonprofit Eden Housing Resident Services, Inc.

An initial resolution was approved for Camphora Apartments at the January 17, 2014 CMFA Board Meeting. The developer at the time was South County Housing Corporation (SCH), a

nonprofit community development corporation. In the intervening months, many of SCH's 40+ multi-family housing projects including the development of the Camphora Apartments Project have been or will be transferred to Eden Housing. This will be the CMFA's 10th Eden Housing affordable housing project.

#### The Project:

The Camphora Apartments is a new construction replacement of an affordable housing project. The Camphora Farmworker Labor Camp was originally constructed in the early 1960's as part of the Bracero program, which brought single migrant farmworkers into the U.S. The project has fallen into disrepair due to the lack of ongoing maintenance. The developer plans to demolish the existing structures and replace them with four two story buildings containing 44 apartments. The LEED Platinum design includes a 3,000 square foot community center with a large multi-purpose room, computer lab, office, conference room, laundry facility and large patio area with barbeques. The project will have two large turf areas with two age specific play areas. There will be 44 restricted rental units to those with incomes between 50-60% AMI. Upon the completion these new units will provide affordable housing for 55 years in the City of Soledad.

#### The County of Monterey:

The County of Monterey is a member of the CMFA and held a TEFRA hearing on September 9, 2014. Upon closing, the County is expected to receive approximately \$6,875 as part of CMFA's sharing of Issuance Fees.

#### Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 11,000,000	\$ 0
Developer Equity:	\$ 0	\$ 891,213
Deferred Developer Fee:	\$ 0	\$ 300,000
LIH Tax Credit Equity:	\$ 800,000	\$ 6,492,261
Direct & Indirect Public Funds:	<u>\$ 5,657,230</u>	<u>\$ 11,235,969</u>
Total Sources:	\$ 17,457,230	\$ 18,919,443

Uses of Funds:	
Acquisition/ Land Purchase:	\$ 1,590,852
On & Off Site Costs:	\$ 3,175,484
Hard Construction Costs:	\$ 6,461,512
Architect & Engineering Fees:	\$ 861,700
Contractor Overhead & Profit:	\$ 1,242,360
Developer Fee:	\$ 1,970,542
Relocation:	\$ 951,835
Cost of Issuance:	\$ 212,125
Capitalized Interest:	\$ 408,951
Other Soft Costs (Marketing, etc.):	<u>\$ 2,044,282</u>
Total Uses:	\$ 18,919,443

Terms of Transaction:

Amount:	\$11,000,000
Maturity:	2 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	September 2014

Public Benefit:

A total of 44 families will be able to enjoy high quality, independent, affordable housing in the County of Monterey. Services at the complex include a community center with a large multi-purpose room, computer lab, conference room and large playing fields. The Borrower is committed to providing after-school programs, instructor-led educational, health and welfare or skill building classes for a minimum of 84 hours per year and a bona fide service coordinator/social worker.

Percent of Restricted Rental Units in the Project: 100%  
88% (38 Units) restricted to 50% or less of area median income households; and  
12% (5 Units) restricted to 60% or less of area median income households.  
Unit Mix: 2 & 3 bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	U.S. Bank N.A.
Bond Counsel:	Jones Hall APLC
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Kutak Rock, LLP
Borrower Counsel:	Gubb & Barshay LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$11,000,000 for Camphora Apartments located in the City of Soledad, County of Monterey, California.



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## **JOHN ADAMS ACADEMY PROJECT SUMMARY AND RECOMMENDATIONS**

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Applicant: John Adams Academies, Inc.

Action: Final Resolution

Amount: \$10,000,000

Purpose: Finance Educational Facilities for the John Adams Academy, located in the City of Roseville, Placer County, California.

Activity: Charter School

Meeting: August 29, 2014

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### Background:

John Adams Academy is Northern California's only tuition-free, K-12 Classical Leadership Education charter school. Located in Roseville, CA, John Adams Academy is preparing future leaders and statesmen through principle-based education centered in classics and great mentors. Scholars enjoy a classical liberal arts curriculum encompassing history, English, math, visual and performing arts, laboratory science, foreign language and college preparatory electives.

John Adams Academy provides a rigorous, systematic study of great minds down through the ages to achieve mastery of a subject and make connections between past events and the flood of current information. The curriculum of John Adams Academy inspires students through self-discipline to educate themselves in the principles of freedom. In partnership with parents and mentors students discover and prepare for their unique mission and purpose in life. The teaching structure that is used is to learn through the classics.

John Adams Academy is fully accredited by the Schools Commission of the Western Association of Schools and Colleges (WASC).

### The Project:

The proceeds of the Bonds will be used to finance the acquisition of certain real property and school facilities thereon located at One Sierragate Plaza in the City of Roseville, California (the "Facility") and to finance certain related project costs (collectively, the "Project"). The Borrower will use a portion of the proceeds of the Bonds to acquire approximately 4.5 acres of real property ("Property") and school facilities located thereon (the "Improvements"; together with the

Property, the “Facilities”). The Facilities consist of an approximately 51,000 square foot facility, with 34 classrooms, and other rooms. The Facilities presently accommodate a student enrollment of approximately 900 pupils and will have a capacity of 950 pupils after completion of the improvements.

#### The City of Roseville:

The City of Roseville is a member of the CMFA and held a TEFRA hearing August 6, 2014. Upon closing, the City is expected to receive up to \$5,754 as part of CMFA’s sharing of Issuance Fees.

#### Proposed Financing:

##### Sources of Funds:

Tax-Exempt Bonds:	\$ 8,465,305
Tax-Exempt Bonds:	<u>\$ 166,000</u>
Total Sources:	\$ 8,631,305

##### Uses of Funds:

Land Acquisition:	\$ 7,700,000
Bond Reserve Fund:	\$ 599,305
Cost of Issuance:	<u>\$ 332,000</u>
Total Uses:	\$ 8,631,305

#### Terms of Transaction:

Amount:	\$10,000,000
Maturity:	October 2044
Collateral:	Deed of Trust
Bond Purchasers:	Institutional Investors
Offering:	Limited Offering
Estimated Closing:	September 2014

#### Public Benefit:

The proceeds of the Bonds will be used to finance the acquisition and improvement of certain property and facilities to be used as a charter school. The Project will allow the John Adams Academy to better serve approximately 860 students and will promote significant and growing opportunities for the creation and retention of employment to the California economy and the enhancement of the quality of life to residents in and around the city of Roseville.

#### Finance Team:

Underwriter:	Piper Jaffray & Co.
Bond Counsel:	Jones Hall, APLC
Issuer’s Counsel:	Jones Hall, APLC
Underwriter’s Counsel:	Dorsey & Whitney LLP
Borrower’s Counsel:	Johnson, Fort, Meissner, Joseph & Palley
Financial Advisor:	Dowdell Financial Services

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution in the amount of \$10,000,000 to finance a charter school facility located in the City of Roseville, Placer County, California.



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## **WOODBURY UNIVERSITY SUMMARY AND RECOMMENDATIONS**

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**Applicant:** Woodbury University

**Action:** Final Resolution

**Amount:** \$40,000,000

**Purpose:** Finance and/or Refinance the Acquisition, Construction, Improvement, Renovation, Restoration, Expansion, Replacement, Furnishing and/or Equipping of Educational Facilities Located in the City of Los Angeles, County of Los Angeles, California

**Activity:** Private University

**Meeting:** September 19, 2014

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### Background:

The Woodbury University was founded in 1884 and is one of the oldest institutions of higher education in Southern California. As an accredited, nonprofit university, the University is located on a 22-acre residential campus in Burbank, California, and offers bachelor's degrees from the School of Business, School of Architecture, School of Media Culture & Design, and Institute of Trans disciplinary Studies. The University also offers a Master of Business Administration as well as weekend and evening study for working adults. A San Diego campus was established in 1998 to offer Bachelor of Architecture Degrees.

The University occupies four different market areas, the traditional undergraduate architecture and design market, the traditional undergraduate business market, the non-traditional undergraduate market, and the working professional graduate market. The University emphasizes professional education, access to classes, timely degree completion, and comprehensive liberal arts institutions. The University focuses on narrow market niches rather than presence in a broad range of academic fields.

### The Project:

The proceeds of the financing will be loaned to Woodbury University to finance and/or refinance: refinance (1) the payment of the redemption price of the \$19,995,000 California Educational Facilities Authority Revenue Bonds (Woodbury University) Series 2006 (the "2006 Bonds"), currently outstanding in the aggregate principal amount of \$17,000,000; (2) the payment of the

redemption price of a portion of the \$37,765,000 California Educational Facilities Authority Revenue Bonds (College and University Financing Program) Series 2007 allocated to the Borrower (the "2007 Bonds"), which portion is currently outstanding in the aggregate principal amount of \$6,140,000; (3) the payment and/or reimbursement of capital expenditures related to the acquisition, construction, improvement, renovation, restoration, expansion, replacement, furnishing, and/or equipping of buildings, laboratories, offices and other facilities of the Borrower, including but not limited to the construction of a residence hall, the relocation of the main entrance of the Borrower, capital improvements to campus security infrastructure and the creation of a consolidated enrollment service center (the "Facilities"), located at 7500 Glenoaks Boulevard, Burbank, California 91504 (although the Borrower has a street address in the City of Burbank, all of the Facilities to be financed or refinanced are located in the City of Los Angeles), and (4) the payment of various costs of issuance and other related costs (collectively, the "Project"), all of which Facilities will be owned and operated by the Corporation.

#### The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and is scheduled to hold a TEFRA hearing on September 24, 2014. Upon closing, the City will receive up to \$11,667 as part of the CMFA's sharing of Issuance Fees.

#### Proposed Financing:

##### Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$40,000,000</u>
Total Sources:	\$40,000,000

##### Uses of Funds:

New Construction:	\$17,000,000
Payoff 2006 & 2007 Bonds:	\$22,200,000
Cost of Issuance	<u>\$ 800,000</u>
Total Uses:	\$40,000,000

#### Terms of Transaction:

Amount:	\$40,000,000
Maturity:	30 years
Collateral:	Deed of Trust on Property
Bond Purchasers:	Private Placement
Estimated Closing:	October 2014

#### Public Benefit:

Entrepreneur and education pioneer F.C. Woodbury founded Woodbury's Business College in 1884 in the historic center of Los Angeles. Woodbury University's distinguished history is inextricably linked to the rise of Southern California as a center of business, creativity, and innovation. For example, Woodbury was one of the first institutions of higher education to offer an accelerated program to meet the needs of students wishing to earn a degree in a concentrated format.



Woodbury University's mission is to provide the highest level of professional and liberal arts education. The integrated nature of its educational environment cultivates successful students from all walks of life with a strong and enduring sense of personal and social responsibility. Since 1884, Woodbury has educated more than 75,000 alumni who have built businesses large and small, led magazines, established accounting and architecture firms, become noted fashion designers, amassed fortunes, won design competitions, held public office, led non-profit organizations and much more.

The University has embarked on a major rebuilding of its student residence core. Living on campus is convenient. Classes and campus resources such as the dining hall, the Los Angeles Time Library, computer labs, staff and faculty offices, academic support services, and sports courts are all within walking distant. Research shows that students who live on campus have higher GPAs and are more likely to graduate. The residential housing plan envisions a new on-campus 255 bed suite style residence hall. The new residence hall will greatly enhance the recruitment and retention of students and their satisfaction with the residence experience. It will help the University's strategic plan to increase non-local students.

This financing will increase the capacity of the institution to provide educational services to the students served.

Finance Team:

Lender:	First Republic Bank
Special Tax Counsel:	Hawkins Delafield & Wood LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Hawkins Delafield & Wood LLP
Borrower Counsel:	Musick Peeler & Garrett LLP
Financial Advisor:	Urban Futures, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$40,000,000 for Woodbury University located in the City of Los Angeles, County of Los Angeles, California.



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## **HUMBOLDT COMMUNITY SERVICE DISTRICT PROJECT SUMMARY AND RECOMMENDATIONS**

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Applicant:	Humboldt Community Service District
Action:	Final Resolution
Amount:	\$8,500,000
Purpose:	Finance the Construction, Improvement, Renovation and Equipping of Wastewater System Improvements for the Humboldt Community Service District.
Activity:	Public Utilities
Meeting:	September 19, 2014

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### **Background:**

The function of the Humboldt Community Services District (HCSD) is to provide essential services to their community. With the help of 20 professional employees, HCSD takes pride in providing quality water, sewage collection, and street lighting services to its customers. From the customer service department to the field crews, the District is dedicated to providing efficient, friendly service. During emergencies and power outages, district employees are hard at work maintaining reliable service under difficult conditions.

Humboldt County, located in Northwest California, is the southern gateway to the Pacific Northwest. The County is bound on the north by Del Norte County; on the east by Siskiyou and Trinity counties; on the south by Mendocino County and on the west by the Pacific Ocean. The County encompasses 2.3 million acres, 80 percent of which is forestlands, protected redwoods and recreation areas. The southern part of the County includes Alton, Carlotta, Hydesville, Rio Dell and Scotia; the Avenue of the Giants communities; Garberville and Redway; the Eel, Mattole and Van Duzen River communities; Humboldt Redwoods, Richardson Grove and Grizzly Creek State Parks; and the King Range National Conservation Area.

The County has seven incorporated cities ranging in size from approximately 400 to 35,000 persons. Approximately half of the County's residents live in incorporated communities, while 59 percent of the County lives in the area surrounding Humboldt Bay. This area includes the cities of Arcata, Ferndale, Fortuna, Eureka and the unincorporated community of McKinleyville. According to the State Department of Finance, the cities of Eureka and Arcata together contain about 35 percent of the County's population, while 13 percent of the population is scattered among five other incorporated cities. Approximately 67,700 of County residents reside in unincorporated communities.

### The Project:

The proceeds of the Bonds will be used: (i) to finance the construction of certain improvements to the wastewater system of the Humboldt Community Services District, (ii) to fund a reserve fund, and (iii) to pay the costs of issuance of the Bonds

The Martin Slough Interceptor Project is a joint project between the City and the District and generally consists of the construction and development of new wastewater collection and conveyance components within the Wastewater System, including new collection lines connecting up to 16 existing lift stations to a new gravity wastewater collection pipeline, a new pump station, a new force main and appurtenant improvements. As described below, the proceeds of the Bonds will be used to finance Phases 2b and 2c of the Martin Slough Interceptor Project

Phase 1 of the Martin Slough Interceptor Project included the installation of a new gravity sewer interceptor pipeline. In May of 2011, the City awarded Phase 1 to the Mercer-Fraser Company in the amount of \$4,539,065, of which the District's cost share, after grant funding, was \$1,028,876. Phase 1 construction has been completed.

Phase 2 of the Martin Slough Interceptor Project consists of three sub-phases: 2a) the construction of a new pump station; 2b) the construction of a new force main extending from the new pump station to the Elk River Wastewater Treatment Plant; and 2c) the decommissioning of several lift stations and/or redirection of wastewater flows into the piping constructed in Phase 1 and the associated addition of necessary collector piping. The City subsequently awarded Phase 2a to Stanek Constructors in the amount of \$4,519,000. Phase 2a construction is complete.

As a cost saving measure, sub-phases 2b and 2c were combined into a single project in early 2014. The initial contractor, Apex Directional Drilling LLC, abandoned the job and City has contracted with Wahlund Construction in conjunction with HDD Co.. According to the City of Eureka's Engineering Department, the Project is estimated to finish by the close of calendar year 2014.

Phase 3 of the Martin Slough Interceptor Project includes future work, primarily by the District, to decommission lift stations and construct additional collector pipelines. However, no permits are being sought for Phase 3 at this time.

### The Humboldt Community Service District:

The Humboldt Community Service District became a member of the CMFA on August 12, 2014 and is expected to approve the financing on September 23, 2014.

### Proposed Financing:

#### Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 7,115,000
Original Issue Discount:	\$ -214,531
Total Sources:	\$ 6,900,469

#### Uses of Funds:

Project Costs:	\$ 6,500,000
Cost of Issuance:	\$ 225,000
Underwriter's Discount:	\$ 35,935
Bond Insurance:	\$ 121,121
Surety Bond Premium:	\$ 16,047
Additional Proceeds:	\$ 2,366
Total Uses:	\$ 6,900,469

### Terms of Transaction:

Amount:	\$8,500,000
Maturity:	June 2044
Security:	Waste Water Revenues
Bond Purchasers:	Retail and Institutional Investors
Offering:	Public
Estimated Closing:	November 2014
Estimated Ratings:	A (Standard & Poor's)

### Public Benefit:

The Martin Slough Interceptor Project is being constructed in three phases and will serve an estimated total of 9,525 dwelling units at full build-out of the project area, together with approximately 94 non-residential units. The financing of Phase 2B&C through the CMFA will help the Humboldt Community Service District Project complete the construction of the overall project.

### Finance Team:

Underwriters:	Raymond James & Associates, Inc.
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Disclosure Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer's Counsel:	Jones Hall APLC
Underwriter's Counsel:	Stradling Yocca Carlson & Rauth APC
Financial Advisor:	Public Financial Management, Inc.
Trustee:	U.S. Bank, National Association

### Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution in the amount of \$8,500,000 for the Humboldt Community Service District Project located in the Humboldt Community Service District, California.



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## **ADDITIONAL MEMBERS OF THE AUTHORITY**

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Subject: Additional Members of the Authority

Meeting: September 19, 2014

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Background:

Per Section 12 of the Joint Exercise of Powers Agreement relating to the California Municipal Finance Authority, titled "Additional Members/Withdrawal of Members."

Qualifying public agencies may be added as parties to this Agreement and become Members upon: (1) the filing by such public agency with the Authority of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (2) adoption of a resolution of the Board approving the addition of such public agency as a Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

The following entities are awaiting the adoption of a resolution of the CMFA Board of Directors approving the addition of such public agency as a Member: cities of Porterville and San Diego.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Resolution evidencing its approval of additional Members of the Authority.



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## **GOVERNMENT COMPENSATION AND SPECIAL DISTRICTS FINANCIAL TRANSACTIONS REPORT**

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Subject: Government Compensation and Special Districts Financial  
Transactions Report

Meeting: September 19, 2014

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Background:

The Government Compensation and Special Districts Financial Transactions paper reports are due within 90 days after the close of the agency's fiscal year, or 110 days if filing in the California State Controller's electronic format (120 days for hospital districts).

Recommendation:

The Executive Director recommends that the CMFA Board of Directors Approve the Government Compensation and the Special Districts Financial Transactions Reports and authorize the Audit Subcommittee to make future changes as needed.



**SPECIAL DISTRICTS FINANCIAL TRANSACTIONS REPORT**  
**CONDUIT FINANCIAL PROVIDER**  
**COVER PAGE**

**Entity Name:** California Municipal Finance Authority

SCO Reporting Year 2014                      ID Number: 12503701500

**Submitted by the Reporting Entity**

Fiscal Year Ended: 06/30/2014 (MM/DD/YY)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Treasurer  
Title

Justin McCarthy  
Name (Please Print)

\_\_\_\_\_  
Date

Per Government Code section 53891, this report is due within 90 days after the end of the fiscal year. If filed in electronic format, the report is due within 110 days after the end of the fiscal year.

Per Government Code section 26909, a copy of the independent audit is to be filed with the Controller within 12 months after the close of the fiscal year.

**To File Electronically:**

1. Complete all forms as necessary.
2. Transmit the completed output file using a File Transfer Protocol (FTP) program or via the diskette.
3. A responsible member of the agency must sign this cover and mail it to either address below.

**To File A Paper Report:**

1. Complete all forms as necessary.
2. A responsible member of the agency must sign this cover and mail it to either address below.

Report will not be considered filed until receipt of this signed cover page.

**Mailing Address:**

State Controller's Office  
Division of Accounting and Reporting  
Local Government Reporting  
P.O. Box 942850  
Sacramento, CA 94250

**Express Mailing Address:**

State Controller's Office  
Division of Accounting and Reporting  
Local Government Reporting  
3301 C Street, Suite 700  
Sacramento, CA 95816



## Special Districts Financial Transactions Report

### Conduit Financial Provider

### GENERAL INFORMATION

**Agency Name:** California Municipal Finance Authority

#### Mailing Address

Street 1	Street 2
2111 Palomar Airport Road	Suite 320
State	Zip
California	92011

#### Address Change?

YES

**NO**

City
Carlsbad

#### Members of Governing Body

	First Name	Middle Initial	Last Name	Title	Fiscal Year of most recent audit available
Member	Robert	F.D.	Adams	Chairperson	June 30, 2013
Member	Justin		McCarthy	Treasurer	
Member	Deborah	J.	Moreno	Chairperson	
Member	Faye	K.	Watanabe	Secretary	
Member					
					Estimated Date for completion of FY 2012 Audit
					October 15, 2014

#### Agency Officials

<b>Executive Director</b>	Edward	J.	Becker		Phone	email
					(760) 930-1221	ebecker@cmfa-ca.com

Fiscal Officer

#### Report Prepared By

First Name	Middle Initial	Last Name	Title	Phone	email
John	P.	Stoecker	Financial Advisor	(760) 930-1221	jstoecker@cmfa-ca.com
Street 1		City		State	Zip
2111 Palomar Airport Rd., Ste320		Carlsbad		CA	92011

#### Independent Auditor

First Name	Middle Initial	Last Name	Title	Phone	email
Kevin	.	Starkey	CPA	(916) 928-4600	kstarkey@mgocpa.com

**Special Districts Financial Transactions Report**  
**Conduit Financial Provider**  
**Statement of Net Assets**

**Agency Name:** California Municipal Finance Authority

**Fiscal Year** 2014

**Assets**

**Current Assets**

Cash	\$ 1,777,627
Investments	
Lease Payments Receivable Net	
Accounts Receivable	4,919
Other Loan Receivables	
Interest Receivables	
Due from Other Funds	
Due from Other Agencies	
Deferred Charges	
Other Assets—Prepaid Expenses	5,457
<b>Total Current Assets</b>	<b>\$ 1,788,003</b>

**Noncurrent Assets**

Restricted Cash	
Other Noncurrent Assets – Lease Receivables	15,000,000
<b>Total Noncurrent Assets</b>	<b>15,000,000</b>
<b>Total Assets</b>	<b>\$ 16,788,003</b>

**Liabilities**

**Current Liabilities**

Accounts Payable	\$ 135,860
Interest Payable	
Due to Other Funds	
Due to Other Agencies	
Refundable Deposits	1,083,008
Current Portion of Long-Term Debt	
Other Liabilities	32,480
<b>Total Current Liabilities</b>	<b>\$ 1,251,348</b>

**Noncurrent Liabilities**

Deferred Revenues	\$
Long-Term Debt	15,000,000
All Other Non-Current Liabilities	
<b>Total Liabilities</b>	<b>\$ 16,251,348</b>

**Net Assets**

Restricted	\$
Unrestricted	536,655
<b>Total Net Assets</b>	<b>536,655</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 16,788,003</b>

# Special Districts Financial Transactions Report Conduit Financial Provider

Agency Name: California Municipal Finance Authority

## Statement of Revenues, Expenditures and Changes in Net Assets

Fiscal Year 2014

### Operating revenues

Financial Service Fees	\$ 22,500
Application Fees	1,400,672
Issuance Fees	
Closing Fees	
Monitoring Fees	
Annual Administration Fees	2,021,848
Lease Program Fees	
Other Fees and Charges	
Lease Rental Payments	
State Grants	
Federal Grants	
Other Governmental Agencies	
Miscellaneous	
Other Revenues	
<b>Total operating revenues</b>	<b>\$ 3,445,020</b>

### Operating Expenses

Salaries, Wages & Benefits	
Services & Supplies	
Consultant Services	1,847,199
The Statement of Net Assets and the Statement of Revenues, Expenditures and Changes	
Trustee Fees	
Underwriter's Fees	
Other Agent Fees	146,714
Insurance	64,691
Project Costs	
Debt Issuance Costs	
Distributions to Outside Agencies	1,398,833
Other Expenses	43,449
<b>Total expenses</b>	<b>\$ 3,500,886</b>
<b>Operating income (loss)</b>	<b>(55,866)</b>

### Nonoperating Revenues (Expenses)

Interest & Investment Income	\$ 1,011
Miscellaneous revenues	
Interest expense	
Miscellaneous expenses	
<b>Total Nonoperating revenues (expenses)</b>	<b>1,011</b>
<b>Income (loss) before contributions &amp; transfers</b>	<b>(54,855)</b>
Capital Contributions	
Transfers In	
Transfers Out	
<b>Changes in Net Assets</b>	<b>\$ (54,855)</b>
<b>Total Net Assets – Beginning of Year</b>	<b>591,510</b>
<b>Total Net Assets – End of Year</b>	<b>\$ 536,655</b>

# Special Districts Financial Transactions Report

## Conduit Financial Provider

Agency Name: California Municipal Finance Authority

### Statement of Changes in Fiduciary Net Assets

Fiscal Year        **2014**

#### Assets

Cash	\$	
Investments		
Other Receivables		
Due From Other Funds		
Due From Other Agencies		
Other Assets		
<b>Total Assets</b>	\$	

#### Liabilities

Accounts Payable	\$	
Agency Obligations		
Other Liabilities		
<b>Total Liabilities</b>	\$	

The Statement of Net Assets and the Statement of Revenues, Expenditures and Changes

#### Net Assets

<b>Held in Trust</b>	\$	
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## Special Districts Financial Transactions Report

### Conduit Financial Provider

Agency Name: California Municipal Finance Authority

## Statement of Changes in Fiduciary Net Assets Fiduciary Funds

Fiscal Year        **2014**

### Additions

Financial Service Fees	\$	
Application Fees		
Issuance Fees		
Closing Fees		
Monitoring Fees		
Annual Administration Fees		
Other Fees and Charges		
Other Revenues		
Interest and Investment Income		
<b>Total Additions</b>	\$	

### Deductions

Administration Expense		
The Statement of Net Assets and the Statement of Revenues, Expenditures and Changes		
Services and Supplies	\$	
Consultant Fees		
Legal Fees		
Trustee Fees		
Underwriter's Fees		
Other Agent's Fees		
Debt Issuance Costs		
Distribution to Outside Agencies		
Deposits Returned		
Other Deductions		
<b>Total Deductions</b>		

<b>Net Increase (Decrease)</b>	\$	
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<b>Net Assets, Beginning of the Year</b>	\$	
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<b>Net Assets, End of the Year</b>	\$	
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# Special Districts Financial Transactions Report

## Conduit Financial Provider

Agency Name: California Municipal Finance Authority

## Summary of Conduit Public Agency Issued and Outstanding

Fiscal Year        2014

Types of Conduit Financing Debt and Public Agency Debt Issue	Debt Issued During Fiscal Year 2014	Total Debt Outstanding as of Fiscal Year 2014
<b>Qualified Private Activity Debt</b>		
Industrial Development Bonds	\$ 3,891,340	\$ 54,597,993
Enterprise Zone Bonds	\$	\$
Empowerment Zone Bonds	\$	\$
Qualified 501(c)(3) Nonprofit - Educational Bonds	\$ 417,662,000	\$ 1,623,279,325
Qualified Pubic Educational Facilities Bonds	\$	\$
Qualified Student Loan Bonds	\$	\$
Qualified 501(c)(3) Nonprofit - Hospital & Health Care Bonds	\$ 60,000,000	\$ 863,892,833
Qualified 501(c)(3) - Other Bonds	\$ 70,380,000	\$ 281,459,512
Qualified Residential Rental Projects Bonds	\$ 504,449,961	\$ 1,285,001,702
Qualified Single Family Mortgage Revenue Bonds	\$	\$
Solid Waste Disposal Facilities Bonds	\$	\$ 521,485,000
Other Exempt Facilities Bonds (attach explanation)	\$	\$
Other Qualified Private Activity Debt (attach explanation)		
<b>Total Conduit Debt Issued &amp; Outstanding</b>	<b>\$ 1,056,383,301</b>	<b>\$ 4,629,716,365</b>
<b>Public Agency Debt Issues</b>		
Revenue Bonds	\$	\$
Tax Allocation Redevelopment Bonds	\$	\$
Certificates of Participation	\$	\$
Assessment Bonds 1911 Act	\$	\$
Assessment Bonds 1915 Act	\$	\$
Marks-Roos Bonds	\$	\$
Mello-Roos Bonds	\$	\$
Sales Tax Bonds	\$	\$
Financial Lease Bonds	\$	\$
Pension Obligation bonds	\$	\$
Tax and Revenue Anticipation Notes	\$	\$
Commercial Paper	\$	\$
Other (attach explanation)	\$	\$
<b>Total Pubic Agency Debt issued and Outstanding</b>	<b>\$</b>	<b>\$</b>
<b>Total Debt Issued and Outstanding</b>	<b>\$ 1,056,383,301</b>	<b>\$ 4,629,716,365</b>



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## **FY 2014 AUDIT**

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Subject: FY 2014 Audit

Meeting: September 19, 2014

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Background:

The CMFA and CFSC are required to have an audit of the general purpose financial statements conducted each year by an independent audit firm. At the May 23, 2014 Board meeting, the CMFA & CFSC selected Macias Gini & O'Connell ("MGO") to audit the respective entities.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors Authorize the Audit Subcommittee to finalize the FY 2014 audit.



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## **INFORMATIONAL ITEMS FOR THE CMFA SUMMARY AND RECOMMENDATIONS**

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Item: Administrative Issues; A., B., C., D., E., F., G., H.

Action: Each meeting, the board has the opportunity to discuss, without taking any formal actions on items;

- A. Executive Director Report
  - B. Marketing Update
  - C. Membership Update
  - D. Transaction Update
  - E. Legislative Update
  - F. Internal Policies and Procedures
  - G. Legal Update
  - H. Insurance
  - I. PACE Update
-





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## **PROCEDURAL ITEMS FOR THE CFSC SUMMARY AND RECOMMENDATIONS**

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Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CFSC, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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## **CHARITABLE GRANT GUIDELINES**

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Recipient: Board Members of the California Foundation for  
Stronger Communities

Purpose: To Provide an Outline of Charitable Grant Guidelines

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### **CHARITABLE GUIDELINES:**

1. Ensure charitable donations are directed towards organizations that:
  - a. Are in California communities.
  - b. Find it difficult to receive funding through other sources.
  - c. Have not received a charitable donation in the last year. This is not meant to include those organizations that have enjoyed a fee reduction through a CMFA financing.
  - d. Do not require compliance monitoring by the CMFA or CFSC.
  - e. Are not in a category listed below:
    - i. Individuals, including individual scholarship or fellowship assistance
    - ii. For-profit entities, including start-up businesses
    - iii. Political, labor, religious, or fraternal activities
    - iv. Endowments
    - v. Film or video projects, including documentaries
    - vi. Travel, including student trips or tours
    - vii. Promotional merchandise
    - viii. Organizations other than IRS 501(c)(3), 501(c)(6), governmental, or tribal entities
2. A staff report must be provided to the Board at least 24 hours before donations are recommended or approved. Funds will not be dispersed on a cash advance basis.
3. Coordinate donation with municipal staff, elected officials, recipient and press to ensure everyone on the team benefits from our partnership and unique give back. Furthermore, the widest dissemination of the donation will further the goals of the CMFA, and provide the greatest chance for leveraging these funds by inducing other donations.
4. Suggested categories the CMFA through the CFSC could direct funds are:
  - a. Health Care
  - b. Education
  - c. Human Services
  - d. Affordable Housing
  - e. Cultural
  - f. Targeted Populations: Youth, Seniors, Low/Moderate Income Individuals
5. Staff will distribute and process all charitable grants.
6. Charitable grants are not intended to supplant governmental funds.

29 Palms Community Food Pantry & Outreach Ministries, Inc.

PO Box 99, 6450 Star Dune Avenue

Twentynine Palms , CA 9277 County San Bernardino

FEIN

41-2137255

Founded: 2005

Previous Donation: ☐ Yes ☒ No

List Date 6/26/2014

**Mission:**

New Life Chapel fulfills a "short-term" need in the community by providing quality nonperishable food items to the hungry. Our volunteer staff of over 40 people assists our neighbors who range in age from their early 20s, to senior citizens. Families served come from the following communities in the Victor Valley; Adelanto, Apple Valley, Hesperia, Victorville, Oak Hills, Phelan and several who related that they were homeless. For Thanksgiving and Christmas, 200 boxes were provided to our neighbors so that they could prepare their Christmas meal. We also deliver food boxes to our neighbors who are "shut-ins" (51 families) and not able to come to the food pantry. Because of monetary and volunteer constraints, the food pantry is open on the last Saturday of the month from 9:00 a.m. - 11:00 a.m. serving an average of 100 (including 55 shut-ins) families. During the week, neighbors come to the church office to sign-up for assistance and may also receive groceries at that time.

**Impact:**

A donation would assist in assisting the needy of Twentynine Palms

**Financial Information:** IRS Form 990EZ for FY 2012

Revenues:	Amount	%	Notes
Government/Earned Contributions	33,656	100.0%	
Other			
Total Revenue:	<u>\$33,656</u>	<u>100.0%</u>	
Expenses:			
Program	\$23,395	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$23,395</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$10,261</u>		
Net Assets:	<u>\$20,268</u>		

BOD: Karen Brodie; Lon Cosgriff; Grace Lebda; Joseph Matoush; Dennis Hougard; Denise Perez; Krista McVery; Jamie Smith

Age Well Senior Services  
24300 El Toro Road, Bldg A #2000  
Laguna Woods , CA 92637 County Orange  
www.agewellseniorservices.org

FEIN 93-1163563 Founded: 1975

Previous Donation: ☐ Yes ☒ No

List Date 11/1/2013

**Mission:**

To promote, advocate and improve the quality of life, dignity, and independence of the elderly. Services that enable seniors to stay in their own home and maintain "Quality of Life," is what we are all about.

Meals on wheels and Congregate Meals Programs  
Transportation  
South County Adult Day Services  
Health and Wellness Program  
Case Management  
Senior Centers

**Impact:**

A donation would assist the program to provide services to the elderly.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$4,752,185	67.5%	
Contributions	2,129,046	30.2%	
Other	<u>156,966</u>	<u>2.2%</u>	
Total Revenue:	<u>\$7,038,197</u>	<u>100.0%</u>	
Expenses:			
Program	\$6,960,321	91.3%	
Administration	439,838	5.8%	
Fund Raising	<u>225,526</u>	<u>3.0%</u>	
Total Expenses:	<u>\$7,625,685</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$587,488)</u>		
Net Assets:	<u>\$1,847,343</u>		

BOD: Douglas E. Zielasko; Guy Navarro; Ted Sanders; Dan Dubois; Robert E. Bates; Howard Baumann; Anna T. Boyce; Tim Bryant; Mark Burton; Jim Cherrie; Ray Chicoine; Adam Darvish; Jolene Fuentes; Peter Gilkey; Patricia A. Kolstad; Kim Luu; Richard Morse; Steve Moyer; Tandy Sullivan; Ronald G. Ditty

Boys & Girls Club of South Coast Area

PO Box 3042

San Clemente , CA 92874

County

Orange

www.bgcsca.org

FEIN

95-6111998

Founded: 1966

Previous Donation: ☒ Yes ☐ No \$10,000 12/10/2010 List Date 5/2/2014

**Mission:**

The Boys & Girls Club of the South Coast Area's mission is to inspire and enable all young people, especially those who need us most, to realize their full potential as productive, responsible and caring citizens

Kids in every community deserve a chance at a great future. Boys & Girls Clubs provide high-impact, affordable programs, and caring adult mentorship to give kids an opportunity to learn and grow. Every day, Clubs around the world emphasize academic success, good character and citizenship, and healthy lifestyles.

**Impact:**

A donation would assist their programs.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$134,392	2.9%	
Contributions	4,281,994	93.6%	
Other	<u>156,009</u>	<u>3.4%</u>	
Total Revenue:	<u>\$4,572,395</u>	<u>100.0%</u>	
Expenses:			
Program	\$904,051	83.7%	
Administration	81,664	7.6%	
Fund Raising	<u>93,845</u>	<u>8.7%</u>	
Total Expenses:	<u>\$1,079,560</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$3,492,835</u>		
Net Assets:	<u>\$5,809,471</u>		

BOD: Bob Adams; Gus Gialamas; Mike Garza; Justin Scopaz; Don Brown; Scott Dahl; David Ahrens; Mike Burke; Margaret Campbell; Marty Colombatto; Bob De Nault; Tyler Bryson; John Ezell; Mary Holt; Randy Griffin; Don Hansen; Eric Johnson; Scott Proud; Tony May; Tom McCool; Dave Peter; Larry Rannals; John Redmond; Jeff Roos

Celebration: Love Your Neighbor, Inc.

3161 Coffey Lane

Santa Rosa , CA 95403

County

Sonoma

www.loveyourneighborsc.org

FEIN

20-4761508

Founded: 2006

Previous Donation: ☐ Yes ☒ No

List Date 6/26/2014

**Mission:**

We have taken the position of actively seeking out those who are hidden in our community who are silently suffering from neglect, ill-health. We find primarily those suffering from Stage Four cancers, severe Diabetes, sudden emergency surgeries, sudden death in the immediate family, and other such crisis'. Being in their homes helps us to be able to gauge the overall need. Many times we find that our "clients" needs are so great that we actually bring them into our thrift store and tell them to get what they need -- coaxing them into really taking care of themselves without hesitation. We also do many projects which help others in the community with needs that are not met--single mothers leaving abusive relationships for good, young adults just leaving the foster care system with nothing, and those who are born with birth defects. Our own clients receive without charge a weekly food basket and other needs essential to their well being such as walkers, hospital beds, canes, shower chairs, etc.

**Impact:**

A donation would be used to assist the needy in the Santa Rosa area

**Financial Information:**

IRS Form 990EZ for FY 2012

Revenues:	Amount	%	Notes
Government/Earned			The organization runs a thrift store
Contributions	27,963	44.4%	
Other	<u>35,056</u>	<u>55.6%</u>	
Total Revenue:	<u>\$63,019</u>	<u>100.0%</u>	
Expenses:			
Program	\$58,717	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$58,717</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$4,302</u>		
Net Assets:	<u>(\$40,238)</u>		
BOD:			

# Family Assistance Ministries

1030 Calle Negocio

San Clemente , CA 92676

County

Orange

www.family-assistance.org

FEIN

33-0864870

Founded: 1999

Previous Donation: ☐ Yes ☒ No

List Date 8/8/2014

## **Mission:**

The Gilchrist House is owned and operated by Family Assistance Ministries and offers transitional shelter for single women and women with children under 12 years of age. Residents may stay at the shelter for up to a year as they progress through the program. Residents must be clean and sober and must be employable. The Gilchrist House is a four-unit complex with 26-bed capacity. Residents are required to be clean and sober for 120 days prior to admission. Our program begins with a 30 day trial and can be extended up to 12 months. The program offers case management, life skills classes, budget counseling and referrals to job counseling and training, as well as debt counseling. The program is geared toward helping women without housing due to emergency situations such as loss of a job, spouse/partner, illness, death in family, past substance abuse, etc. become stabilized, return to work, and eventually enter permanent housing. Fees depend on ability to pay and length of stay.

## **Impact:**

A donation would be used to assist the program

## **Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	3,276,755	100.0%	
Other	4	0.0%	
Total Revenue:	<u>\$3,276,759</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,078,105	93.9%	
Administration	186,698	5.7%	
Fund Raising	<u>14,113</u>	<u>0.4%</u>	
Total Expenses:	<u>\$3,278,916</u>	<u>100.0%</u>	
Excess/(Deficit) of			
Revenues Over Expenses:	<u>(\$2,157)</u>		
Net Assets:	<u>\$484,583</u>		

BOD: Andrew Donchak; Julie Puentes; Fred Meyer; William Maxwell; Al Beuerlein; Ken Caresio; Betsy Flint; Richard Guerrero; Bob Harnar; Rev. Jim King; Larry Leisenring; Vito Mastro; Nick Mastroni; Cyrus Mavalvala; Jan McKay; Avarelle Silver-Westrick

Fiesta Educativa, Inc.  
161 S. Avenue 24 Suite 201  
Los Angeles , CA 90031 County Los Angeles  
<http://fiestaeducativa.org/>

FEIN 95-4055182 Founded: 1978

Previous Donation: ☐ Yes ☒ No

List Date 5/23/2014

**Mission:**

Fiesta Educativa was founded in California in 1978 to inform and assist Latino families in obtaining services and in caring for their children with special needs. Fiesta Educativa was formed by family members and professionals who recognized the need to provide assistance and advocacy to these Spanish-speaking families. Fiesta Educativa, a partnership of families, professionals, consumers, friends, and agencies embraces as its mission the goal of universal support towards the enhancement of the lives of persons with disabilities.

**Impact:**

A donation would assist them in working with families

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$501,306	74.4%	They have chapters in LA, Orange, San Diego, San Bernardino, Riverside and Sacramento Counties
Contributions	171,448	25.5%	
Other	<u>599</u>	<u>0.1%</u>	
Total Revenue:	<u>\$673,353</u>	<u>100.0%</u>	
Expenses:			
Program	\$615,321	90.4%	
Administration	63,670	9.4%	
Fund Raising	<u>1,498</u>	<u>0.2%</u>	
Total Expenses:	<u>\$680,489</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$7,136)</u>		
Net Assets:	<u>\$108,955</u>		
BOD: Gonzalo C. Centeno; Irma Tena; Rebecca Sapien-Melchor; Angie Rivera; Silvia Rodriguez; Lisa Delgado; Jose Melchor; Irene Martinez			



iHOPE

106 W. Canada

San Clemente , CA 92672

County

Orange

www.ihopeoc.org

FEIN

27-0197900

Founded: 2010

Previous Donation: ☐ Yes ☒ No

List Date 5/2/2014

**Mission:**

The organization's purpose is to improve the quality of life and health of low income families by providing basic services to the homeless and working poor in Orange County, CA. This will be done by helping them access basic wraparound services such as housing, medical, mental health, food, clothing, case management, counseling, tutoring at public agencies or through private resources, and by providing community leadership and involvement opportunities to obtain services for the families and to generate awareness of homelessness and poverty in Orange County.

**Impact:**

A donation would assist the organization in furthering their mission

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$19,930	6.5%	
Contributions	272,870	89.5%	
Other	<u>12,098</u>	<u>4.0%</u>	
Total Revenue:	<u>\$304,898</u>	<u>100.0%</u>	
Expenses:			
Program	\$112,495	47.8%	
Administration	122,882	52.2%	
Fund Raising			
Total Expenses:	<u>\$235,377</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$69,521</u>		
Net Assets:	<u>\$137,278</u>		

BOD: Ronald Dean Blake, Edmond M. Connor; Cathy Domenichini, Lana Fiore; Steve Hagy; Kathleen Kaiser; Paulette Kolbensschlag; Alan Mozzett; Rev Steve Sallot; Barbara Scheinman; Bob Sodergren; Max Wasinger; Jay Baird; Paul Bruce; Nancy McIntyre; Mike Harnetiaux

JB Brown Fund - Life Skills Training and Educational Programs, Inc.

4041 Bridge Street

Fair Oaks , CA 95628 County Sacramento

[www.usapropfund.com/jb.html](http://www.usapropfund.com/jb.html)

FEIN

33-0720982

Founded: 1996

Previous Donation: ☐ Yes ☒ No \$5,000 9/20/2013 List Date 7/18/2014

**Mission:**

The J.B. Brown Fund is a philanthropic partnership between USA United and LifeSTEPS. The purpose is to provide USA Properties Fund's residents with opportunities to maximize their potential and strengthen our communities. The J.B. Brown Fund provides opportunity in the following categories: Scholarships, Client assistance, Sports and Support for older adults.

**Impact:**

A donation would assist in continuing operations.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$3,930,497	77.5%	Donation would be restricted to JB Funds.
Contributions	1,116,805	22.0%	
Other	<u>25,774</u>	<u>0.5%</u>	
Total Revenue:	<u>\$5,073,076</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,901,689	86.8%	
Administration	441,219	9.8%	
Fund Raising	<u>152,424</u>	<u>3.4%</u>	
Total Expenses:	<u>\$4,495,332</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$577,744</u>		
Net Assets:	<u>\$2,598,695</u>		
BOD: Farrell J. Hirsch; Barbara Valiente; Gregory J. Popovich; Dr. Lili Kim; Kenneth S. Robertson			

Kathy's House Inc.

P.O. Box 1466

San Juan Capistrano , CA 92693

County

Orange

www.kathyshousesjc.org

FEIN

33-0809761

Founded:

Previous Donation: ☐ Yes ☒ No

List Date 5/23/2014

### **Mission:**

Kathy's House is a non-profit charitable organization which was founded on Christian principles. It's purpose is to provide shelter and other support to women and children in need.

Kathy's House has been in existence for over 16 years and has helped over 500 families get a fresh start in life and heal from the hurts of violence and alcohol or drug abuse. It is not a detox for recovering addictions. It is a long term program designed to help a woman with or without her children, get a fresh start in life and learn skills to help her accomplish healthy goals and behaviors for a successful and fulfilling life.

### **Impact:**

A donation would assist their program

### **Financial Information:**

IRS Form 990EZ for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$35,948	31.2%	990EZ does not break out Admin due to the size of the program
Contributions	78,521	68.1%	
Other	<u>769</u>	<u>0.7%</u>	
Total Revenue:	<u>\$115,238</u>	<u>100.0%</u>	
Expenses:			
Program	\$96,125	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$96,125</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$19,113</u>		
Net Assets:	<u>\$215,064</u>		

BOD: Diana Spitz; Terry Barringer; Lisa Phillips; Barbara Niksch

Laura's House  
999 Corporate Drive #225  
Ladera Ranch , CA 92694 County Orange  
www.laurashouse.org

FEIN 33-0621826 Founded: 1995

Previous Donation: ☒ Yes ☐ No \$20,000 10/13/2009 List Date 5/23/2014

**Mission:**

When you support Laura's House you not only provide victims of domestic violence and their children with emergency shelter, you provide these families with the tools to build a new life. A life that is healthy, successful and free of violence. Laura's House is essential to improving the quality of life in Orange County, providing the services necessary to rebuild lives destroyed by violence. Laura's House provides direct services to more than 2,500 victims and their families each year through a 24-hour crisis hot line, emergency shelter, food and clothing, counseling, case management and legal services. Today, more than ever nonprofit organizations are facing severe financial challenges. As the economy has slowed and funding for services has been cut back, Laura's House depends on community support to help us meet the current needs of our clients, maintain our current level of quality services and grow our organization to meet our future needs.

**Impact:**

A donation would assist in the opening of a new home currently in the construction phase.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$676,812	26.1%	The organization has a thrift store which accounts for the majority of the other revenues.
Contributions	1,491,988	57.4%	
Other	<u>429,028</u>	<u>16.5%</u>	
Total Revenue:	<u>\$2,597,828</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,076,017	78.2%	
Administration	306,302	11.5%	
Fund Raising	<u>271,994</u>	<u>10.2%</u>	
Total Expenses:	<u>\$2,654,313</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$56,485)</u>		
Net Assets:	<u>\$5,465,073</u>		

BOD: Wayne Pinnell; Laura Khouri; Kurt Ross; Brent Chase; Eric Chamberlain; Laverne Friedmann; Sandy Jacobson; Jay Jaffin; Mike James; Linda Kearns; Dr. Jill Murray; Kerri Strunk; Rick Lutzky; Garrett Sleichter; Helen H. Timpe; Barry Villines; Dan Weeks; Matt West

# Legal Services of Northern California

517 12th Street

Sacramento , CA 95814 County Sacramento

lsnc.net

FEIN 94-1384659

Founded: 1956

Previous Donation: ☐ Yes ☒ No

List Date 12/13/2013

## **Mission:**

LSNC serves a low-income population of over 500,000 spread over an urban/ rural (mostly rural, outside of Sacramento and a handful of relatively small cities) area that encompasses 49,005 square miles, roughly the size of Ohio.

The population we serve is largely minority. The census data suggests the following racial/ethnic profile of the poverty population: White, 40%; African-American, 9%; Native American, 3%; Asian, 10%; Hispanic, 20%; Other, 17%. LSNC serves the second largest Hmong population and the largest Mienh community in the United States. Our northern and coastal counties and the San Joaquin river delta are home to thousands of migrant farm workers who cultivate and harvest the tree and row crops, including wine grapes, that support California's agricultural industry. The north state is also home to a significant Native American population for whom our staff provide special outreach and services.

## **Impact:**

A donation would assist the organization in providing legal services within Northern California.

## **Financial Information:** IRS Form 990 for FY 2011

Revenues:	Amount	%	Notes
Government/Earned	\$8,301,496	84.6%	
Contributions	1,364,931	13.9%	
Other	<u>150,507</u>	<u>1.5%</u>	
Total Revenue:	<u>\$9,816,934</u>	<u>100.0%</u>	
Expenses:			
Program	\$8,744,431	82.1%	
Administration	1,783,927	16.7%	
Fund Raising	<u>123,149</u>	<u>1.2%</u>	
Total Expenses:	<u>\$10,651,507</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$834,573)</u>		
Net Assets:	<u>\$4,588,692</u>		

BOD: Officers: Kevin R. Johnson, President; Jane Kroesche, Vice President; David A. Coleman Sr., Secretary; John F. Davis, Treasurer; H. Patrick Sweeney, Executive Member; Annette Smith, Executive Member

Lend a Heart Lend a Hand Pet Therapy Inc

PO Box 60617

Sacramento , CA 95860 County Sacramento

www.lendaheart.org

FEIN

68-0191234

Founded: 1999

Previous Donation: ☐ Yes ☒ No

List Date 8/8/2014

**Mission:**

We are an all-volunteer non-profit organization serving the greater Sacramento, California area. Lend A Heart volunteers began providing animal-assisted therapy in 1987, when bringing pets into hospitals, schools and nursing homes was not as common or accepted as it is today. Through the dedication of our founding members, our former and current volunteers, our loving pets and the support of local facilities, the benefits of animals in clinical, recreational and educational settings are realized daily in our communities.

Lend A Heart has teamed up with more than 30 local organizations to provide regularly scheduled, monthly animal-assisted therapy programs. Our volunteers and their cats, dogs and rabbits attend programs together. Volunteers without pets are welcome too!

**Impact:**

A donation would assist in their program

**Financial Information:**

From an email and CA RRF-1 Form

Revenues:	Amount	%	Notes
Government/Earned Contributions	8,753	100.0%	The organization's income is low enough that they are just required to file a 990-NTE, postcard filing. They are current both in California and federally as a nonprofit
Other			
Total Revenue:	<u>\$8,753</u>	<u>100.0%</u>	
Expenses:			
Program	\$8,000	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$8,000</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$753</u>		
Net Assets:	<u>\$19,382</u>		

BOD: Maryann Farmar; Linda Groesbeck; Pat Gunter; Ralph Jacks; Judy Lemke; Mickey Wadolny; Barbara Street; Stephanie Plucker; Roxanne Higgins

# MARSOC Foundation

PO Box 2018

Temecula , CA 92593 County Riverside

www.marsocfoundation.org

FEIN 45-2913544 Founded: 2011

Previous Donation: ☒ Yes ☐ No \$25,000 4/11/2014 List Date 6/13/2014

## **Mission:**

As a 501(c)(3) non-profit, the MARSOC Foundation provides benevolent support to the U. S. Marine Corps Forces Special Operations Command (MARSOC). The Foundation supports active duty and medically retired MARSOC personnel and their families, as well as the families of Marines who have lost their lives in service to our Nation. MARSOC Foundation services are those unmet by the government or other organizations

**MARSOC personnel who are injured or wounded in combat, contingency operations, or training with special needs receive:**

**Advanced rehabilitation programs and equipment**

**Operational health & performance programs and equipment**

**Advanced vocational training**

## **Impact:**

A donation would be restricted to their Wounded Warriors' program

## **Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned			An exception to our normal policy must be approved but this is the most appropriate organization to provide support to our wounded warriors in Southern California.
Contributions	278,082	100.0%	
Other	38	0.0%	
Total Revenue:	<u>\$278,120</u>	<u>100.0%</u>	
Expenses:			
Program	\$76,271	94.6%	
Administration	4,389	5.4%	
Fund Raising			
Total Expenses:	<u>\$80,660</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$197,460</u>		
Net Assets:	<u>\$197,460</u>		

BOD: Sarah Christian; Dave Morgan; Brad Baxter; Andy Christian; Brian Fuller

National Forest Foundation  
c/o Vance Russell 803 2nd St., Suite A  
Davis , CA 95616 County Yolo  
www.nationalforests.org

FEIN 52-1786332 Founded: 1990

Previous Donation: ☐ Yes ☒ No

List Date 12/13/2013

**Mission:**

The mission of the National Forest Foundation is to engage America in community-based and national programs that promote the health and public enjoyment of the 193-million-acre National Forest System.

The proposed project is designed to connect and involve communities in the forests that are essentially in their backyards in Northern CA. Any dollar donated to this project is leveraged to \$2.50 from Forest Service and local partner match. The project has on-ground restoration projects coupled with community volunteer days for weed removal, tree planting and sustainable recreation.

**Impact:**

A donation would assist in the completion of the Tahoe Project.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$5,413,977	48.2%	Financial Statement and a project synopsis is available if you desire a copy.
Contributions	5,575,015	49.6%	
Other	<u>253,011</u>	<u>2.3%</u>	
Total Revenue:	<u>\$11,242,003</u>	<u>100.0%</u>	
Expenses:			
Program	\$12,271,192	94.1%	
Administration	577,962	4.4%	
Fund Raising	<u>193,614</u>	<u>1.5%</u>	
Total Expenses:	<u>\$13,042,768</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$1,800,765)</u>		
Net Assets:	<u>\$8,640,417</u>		

BOD: John Hendricks; Craig R. Barrett; David Bell; Bradley K. Johnson; Timothy Proctor Schieffelin; Peter Foreman; Mike Brown Jr.; Thomas L. Tidwel; Coleman Burke; Robert Cole; Bart Eberwein; Robert Feitler; Lee Fromson; Roje S. Gootee; Jack Sahl; Jeff Paro; Susan Schnabel; Chad Weiss; James Yardley; Blaise Carris; Mary Smart; William J. Possiel



National Veterans Transition Services, Inc.

4141 Camino Del Rio South

San Diego , CA 92108 County San Diego

www.nvtsti.org

FEIN

80-0597403

Founded: 2010

Previous Donation: ☒ Yes ☐ No \$20,000 3/15/2013 List Date 6/13/2014

**Mission:**

NVTSTI is a San Diego-based 501 (c)(3) organization dedicated to assisting veterans in adjusting to civilian life and securing meaningful employment by combining best-practice performance social solutions and techniques. The organization was established by a group of retired high ranking Naval and Marine Corps officers and workforce development professionals who seek to fill a tremendous gap in the continuum of veteran services.

Our mission is to assist veterans in making a successful transition from military service to civilian life, with all veterans achieving, within their potential, their goals in the transition domains of employment and career, education, living situation, personal effectiveness/wellbeing, and community-life functioning.

**Impact:**

A donation would assist in continuing their program

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	1,116,406	100.0%	
Other	<u>166</u>	<u>0.0%</u>	
Total Revenue:	<u>\$1,116,572</u>	<u>100.0%</u>	
Expenses:			
Program	\$551,472	79.1%	
Administration	126,309	18.1%	
Fund Raising	<u>19,250</u>	<u>2.8%</u>	
Total Expenses:	<u>\$697,031</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$419,541</u>		
Net Assets:	<u>\$487,712</u>		

BOD: Ronne Froman; Maurice Wilson; Mike Malone; Jeremy Glaser; Jim Wong; Maddy Kilkenny; Ben Moraga; Debra Molyneux; Morris Casuto

Orange County Fine Arts, Inc.

3851 S. Bear Street, Suite B-15

Santa Ana , CA 92704

County

Orange

www.ocfinearts.org

FEIN

95-2512861

Founded: 1968

Previous Donation: ☐ Yes ☒ No

List Date 6/13/2014

### **Mission:**

Art venues have an air of exclusivity, and often art workshops, artist demonstrations, and art classes come at high costs. Those issues coupled with reduced funding for art in our public schools lead to decreased exposure to the fine arts amongst the community at large. Orange County Fine Arts, Inc. (OCFA) is a small non-profit organization whose mission is to cultivate public interest in art and provide support of fine arts through arts education and scholarships for aspiring artists. OCFA boasts four galleries in two cities where artists of all ages hang and sell their artwork, and we open our workshop doors to art instructors of the community to teach art classes. Annually, OCFA participates in several events directed at or featuring children and young adults, including but not limited to the Imaginology Fair, the Imagination Celebration, the Arts Alive Festival in Mission Viejo, and the Irvine Global Village Festival. We pay particular attention to opening up the art world to the younger generations.

### **Impact:**

A donation would assist in the organizations continuing operation.

### **Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$116,666	78.4%	\$116,666 of income is from rental space fees
Contributions	25,258	17.0%	
Other	<u>6,866</u>	<u>4.6%</u>	
Total Revenue:	<u>\$148,790</u>	<u>100.0%</u>	
Expenses:			
Program	\$139,358	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$139,358</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$9,432</u>		
Net Assets:	<u>\$127,252</u>		

BOD: Ann Jones; Jeffrey Howe; Jila Hakimi; Marillyn Brame; Matt Olsen; Maureen MacDonald; Max Yamada; Mina Zivkovic; Nick Treadway; Russell McCall; Thomas Tom; Touraj Hakimi; Victoria Rivett; Laura Robinson; Vivian Kiani

Placer Food Bank  
8184 Industrial Avenue  
Roseville , CA 95678 County Placer  
placerfoodbank.org

FEIN 94-1740316 Founded: 2008

Previous Donation: ☐ Yes ☒ No

List Date 8/8/2014

**Mission:**

Nearly 28,000 children in Placer, El Dorado and Nevada counties live in food insecure households, meaning they do not know with certainty where their next meal will come from.

Most of these children rely on the meals provided by national school meal programs as their primary source of food. When Monday arrives many of these children complain of stomach aches, dizziness, difficulty concentrating, or are simply absent from school. The Backpack Program was created to provide these children with nutritious, easy-to-prepare food for weekends and holidays when school is not in session. We assemble and distribute 615 packages of child-friendly snacks and meals each week to several high-need schools in the Roseville City and Auburn School Districts. The packages are distributed to the students on Friday afternoons, who then tuck them into their backpacks before they head home for the weekend.

**Impact:**

A donation would be given to the backpack program which is outlined above.

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$421,208	4.8%	
Contributions	8,418,932	95.2%	
Other	<u>5,390</u>	<u>0.1%</u>	
Total Revenue:	<u>\$8,845,530</u>	<u>100.0%</u>	
Expenses:			
Program	\$8,104,625	92.8%	
Administration	361,878	4.1%	
Fund Raising	<u>266,315</u>	<u>3.0%</u>	
Total Expenses:	<u>\$8,732,818</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$112,712</u>		
Net Assets:	<u>\$882,023</u>		

BOD: Dave Coburn; Brandon McKelvey; Jessie Chambers; Anne Chacon; Kyle Kjos; Lori Landberg; Jim Gabriel; Barry Brundage; Neeta Verma; Richard Quintana; Rich Peterson; Keith Ungerer

Project Angel Food

922 Vine Street

Los Angeles , CA 90038

County Los Angeles

www.angelfood.org

FEIN

95-4115863

Founded: 1989

Previous Donation: ☐ Yes ☒ No

List Date 8/29/2014

**Mission:**

Project Angel Food's mission is to nourish people debilitated by critical illnesses. We believe they should not also suffer the ravages of hunger and malnutrition, which can lead to catastrophic deterioration in their already fragile health.

We operate with the knowledge that food is medicine so we medically tailor our recipes and design our freshly-cooked meals to offer optimum benefits: overall improved health, efficacy of vital medications, prevention of secondary illnesses, optimum body weight and more.

Our client services and nutrition services teams assist clients in accessing other health resources and help them better understand the positive impact of healthy eating in their fight against disease and their overall life. We also provide a friendly ear during one of the most challenging experiences possible.

**Impact:**

A donation would assist in the furtherance of their mission

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$395,342	9.1%	
Contributions	3,900,116	90.1%	
Other	<u>32,391</u>	<u>0.7%</u>	
Total Revenue:	<u>\$4,327,849</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,622,388	84.9%	
Administration	200,091	4.7%	
Fund Raising	<u>444,060</u>	<u>10.4%</u>	
Total Expenses:	<u>\$4,266,539</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$61,310</u>		
Net Assets:	<u>\$3,572,892</u>		

BOD: Robert Bauer; Liza Bernstein; Andre Dawson; Peter Helenek; Joe Mannis; Mark Margolis; Shannon Millard; Ardis Moe; Faye Moseley; Pauley Perrette; Bobby Ralston; Diana Rodriguez; Jonna Smith

Sacramento Housing Alliance

1800 21st Street, Suite 100

Sacramento , CA 95811

County Sacramento

www.sachousingalliance.org

FEIN

68-0252305

Founded: 1989

Previous Donation: ☐ Yes ☒ No

List Date 3/21/2014

**Mission:**

Our mission is to work for safe, decent, accessible, affordable housing and healthy communities for homeless and low-income people through advocacy, education, leadership development and civic engagement.

Affordable Housing: promote local, regional and state housing policies that increase the financing, production and preservation of safe, decent, accessible and affordable housing in healthy neighborhoods. This includes protecting and expanding programs and policies, while promoting new options, that increase affordable housing opportunities and improved neighborhoods. Key issues include inclusionary housing, transit-oriented development, preservation of affordable housing stock, and development of permanent supportive housing.

**Impact:**

A donation would assist in the continuance of their mission.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$15,675	3.3%	
Contributions	457,825	96.3%	
Other	<u>1,705</u>	<u>0.4%</u>	
Total Revenue:	<u>\$475,205</u>	<u>100.0%</u>	
Expenses:			
Program	\$451,214	89.6%	
Administration	37,879	7.5%	
Fund Raising	<u>14,370</u>	<u>2.9%</u>	
Total Expenses:	<u>\$503,463</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$28,258)</u>		
Net Assets:	<u>\$354,421</u>		

BOD: Paul Ainger; Cathy Creswell; Stephan Daues; Paula Lomazzi; Joan Burke; Ken Cross; John Foley; Chris Jensen; Meea Kang; Stan Keasling; Rachel Iskow; Lisa Salaices; Tyrone Buckley; Karen Naungayan

Sacramento Loaves and Fishes

1351 North C. Street

Sacramento , CA 95811 County Sacramento

www.sacloaves.org

FEIN

68-0189897

Founded: 1983

Previous Donation: ☐ Yes ☒ No

List Date 5/23/2014

**Mission:**

Without passing judgment, and in a spirit of love and hospitality, Loaves & Fishes feeds the hungry and shelters the homeless. We provide an oasis of welcome, safety, and cleanliness for homeless men, women and children seeking survival services.

Founded in 1983, we are governed by a board of directors selected from Loaves & Fishes and from the community-at-large – people who have demonstrated compassion and concern about the needs of the homeless and the indigent poor.

We recognize the dignity and spiritual destiny of each person, and hope by our attitude of hospitality and love, to nourish not only the physical needs of those who come to Loaves & Fishes, but also their spiritual need for love, acceptance, respect, and friendship.

We serve each person with the belief that "as often as you did it for one of my least brothers and sisters, you did it for me." (Matthew 25:40)

**Impact:**

A donation would assist in providing food and shelter for the needy.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$100,298	2.3%	Earned income is from Rent
Contributions	4,241,432	97.5%	
Other	<u>9,357</u>	<u>0.2%</u>	
Total Revenue:	<u>\$4,351,087</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,883,236	89.2%	
Administration	231,776	5.3%	
Fund Raising	<u>239,820</u>	<u>5.5%</u>	
Total Expenses:	<u>\$4,354,832</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$3,745)</u>		
Net Assets:	<u>\$6,706,488</u>		

BOD: Norm Fadness; Chris Delany; Dorothy R. Smith; Don Fado; Gerrie Backerville; Karen Banker; Robert Pinkerton; Sue Supple; Ron Blubaugh; Glennah Trochet; Brother Mark Schroeder

Saint John's Shelter for Women and Children

2443 Fair Oaks Blvd #369

Sacramento , CA 95825 County Sacramento

saintjohnsprogram.org

FEIN

68-0132934

Founded: 1988

Previous Donation: ☐ Yes ☒ No

List Date 8/8/2014

**Mission:**

We provide more than shelter and food. We provide the ability to rise above devastating, negative elements and achieve job-readiness and self-sustainability. Entry into the program is limited, and each step is extremely rigorous. But those who see it through end up with rewarding, happy, and productive lives – for themselves, and for their children. An extraordinary change takes place over three distinct chapters.

Threshold: Can you take an honest look at your life and your choices and decide that something needs to change once and for all? Awakening: The real test of mettle begins here. Mothers dig down to the root causes of their homelessness and start making enormous life changes through comprehensive mental health services, GED attainment, and career education. Triumph: This is graduation. Those who make it here are ready for the real world. A real job. Real housing. And a real way to support a family.

**Impact:**

A donation would be used to assist the program

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$1,985,044	52.6%	
Contributions	1,785,436	47.4%	
Other			
Total Revenue:	<u>\$3,770,480</u>	<u>100.0%</u>	
Expenses:			
Program	\$2,672,048	80.1%	
Administration	401,519	12.0%	
Fund Raising	<u>263,083</u>	<u>7.9%</u>	
Total Expenses:	<u>\$3,336,650</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$433,830</u>		
Net Assets:	<u>\$1,270,996</u>		

BOD: John Crisan; Chet Hewitt; Connie Sanders Emerson; David Cloniger; Ted Bennett; Pete Halimi; Andrea Anderson; Rick Cwynar; Glenda Corcoran; Wendy Launchland; Kathy McKim

Serve the People  
1206 E. 17th Street, Suite 204  
Santa Ana , CA 92701  
www.serve-the-people.com

County Orange

FEIN 27-0421556

Founded: 2008

Previous Donation: ☐ Yes ☒ No

List Date 2/7/2014

**Mission:**

To provide for the physical, mental, emotional and mentoring needs of the poor, children, sick, needy, uneducated, oppressed and lost people. To serve people regardless of religion, ethnicity, race, or gender with love, compassion, and generosity. Orange County, home to some of the most exclusive neighborhoods in the nation, is one of the most expensive places to live in the U. S. Despite its affluent reputation, Orange County has significant pockets of poverty where low-income households struggle to afford many basic needs, including nutrition and medical coverage. Serve the People (STP) provides food, clothing, medical care, and legal assistance, giving a hand up, and not just a hand-out. Since its founding in 2008, STP has centered its programs on the needs of the residents in Central Santa Ana, providing a trusted resource for people who have nowhere else to go for their healthcare.

**Impact:**

A donation would assist their program

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	3,806,518	100.0%	
Other			
Total Revenue:	<u>\$3,806,518</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,662,495	98.7%	
Administration	41,286	1.1%	
Fund Raising	<u>7,464</u>	<u>0.2%</u>	
Total Expenses:	<u>\$3,711,245</u>	<u>100.0%</u>	
Excess/(Deficit) of			
Revenues Over Expenses:	<u>\$95,273</u>		
Net Assets:	<u>\$188,706</u>		

BOD: Angel Carrazco; Jose Antonio Fermin; Craig G. Myers; Nicolette Ortega; Paul Widenmann; Dimitri Sirakoff; S. Russell English; Robert Ingraham; Walter (Dima) Martinovich



Sierra Child & Family Services

4250 Fowler Lane

Diamond Springs , CA 95619 County El Dorado

www.sierrachildandfamilyservices.org

FEIN

68-0166134

Founded: 1993

Previous Donation: ☒ Yes ☐ No \$10,000 11/18/2011 List Date 7/18/2014

**Mission:**

Sierra Child and Family Services provides residential, educational and community based programs for emotionally disturbed girls and boys in Northern California. The program includes a full continuum of care to ensure all children are served in the least restrictive environment possible.

The children at SCFS face a wide range of challenges, including histories of mental health disorders, learning disabilities, and in some cases, physical or sexual abuse and neglect. Our staff work with children and families as a team to bring an increased level of health and functioning to the entire unit, and to provide a better chance for a successful future. The components of our programs include: Residentially Based Services; A Non-Public School; Outpatient / Wraparound Services; Foster Family Agency; and Adoptions

**Impact:**

A donation would be used to further their programs.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$3,446,235	99.7%	
Contributions	10,100	0.3%	
Other			
Total Revenue:	<u>\$3,456,335</u>	<u>100.0%</u>	
Expenses:			
Program	\$3,129,794	86.6%	
Administration	483,593	13.4%	
Fund Raising			
Total Expenses:	<u>\$3,613,387</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$157,052)</u>		
Net Assets:	<u>\$513,718</u>		

BOD: Leah Bielejeski; Michelle Vien; Brandon Dinon; Monica Carillo; Christa Courtney; Jennifer Baland; Laurie Heyman; Bill Hughes; Kathe Hughes

Swords into Plowshares  
1060 Howard Street  
San Francisco , CA 94103 County San Francisco  
www.swords-to-plowshares.org

FEIN 94-2260626 Founded: 1976

Previous Donation: ☒ Yes ☐ No \$30,000 11/18/2011 List Date 6/13/2014

**Mission:**

At Swords to Plowshares, veterans work one-on-one with job counselors to address their individual needs, overcome obstacles to employment, and determine a long-term career plan. We developed "Career Pathways," a nationally acclaimed vocational training model, to create meaningful job opportunities for all veterans. The Career Pathways program trains military veterans for jobs in high-growth, high-wage industries, such as clean energy, green marketing, transportation and healthcare.

**Impact:**

A donation would assist in the operation of their program

**Financial Information:** IRS Form 990 for FY 2013

Revenues:	Amount	%	Notes
Government/Earned	\$6,851,502	58.8%	
Contributions	3,737,532	32.1%	
Other	<u>1,065,941</u>	<u>9.1%</u>	
Total Revenue:	<u>\$11,654,975</u>	<u>100.0%</u>	
Expenses:			
Program	\$8,732,195	85.7%	
Administration	1,091,978	10.7%	
Fund Raising	<u>359,234</u>	<u>3.5%</u>	
Total Expenses:	<u>\$10,183,407</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$1,471,568</u>		
Net Assets:	<u>\$6,054,231</u>		

BOD: Peter McCorkell; Stacey Sprengel; Steven Plath; Ben Suncin; Evette Davis; Ian Sharpe; Javier Tenorio; Joannette Sorkin; Judy Kridle; Larry Rosenberger; Maceo May; Paul Cox; Rick Houlberg; Robert Trevorow; Steve Snyder; Townsend Walker

The Center for Social and Academic Advancement (CASA)

4704 Ramsay Avenue

San Diego , CA 92122 County San Diego

www.casasd.org

FEIN 33-0878736

Founded: 1999

Previous Donation: ☐ Yes ☒ No

List Date 6/13/2014

**Mission:**

The Center for Academic and Social Advancement (CASA) is a non-profit organization dedicated to inciting multi-level change in learners and their communities by connecting San Diego college students with underserved youth across San Diego county. We are committed to: Providing university students the real world experience working in local communities and learning by doing "theory in practice;" Preparing P-6th graders to imagine their fullest potential in future learning opportunities and beyond; Inspiring social citizenship ( giving back to your community) in learners of all ages; Developing critical, innovative, and creative thinkers that will benefit San Diego county's future. Through collaborations with over twenty community groups and higher education entities such as the University of California, San Diego, CASA facilitates seven programs in five sites throughout San Diego County in order to serve hundreds of San Diego college students, children, and their families each year.

**Impact:**

A donation would be used for current needs.

**Financial Information:** IRS Form 990EZ for Fiscal Year 2012

Revenues:	Amount	%	Notes
Government/Earned Contributions	30,705	100.0%	Smaller programs usually do not have a separate breakout of "Admin" costs.
Other			
Total Revenue:	<u>\$30,705</u>	<u>100.0%</u>	
Expenses:			
Program	\$31,904	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$31,904</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>(\$1,199)</u>		
Net Assets:	<u>\$13,244</u>		

BOD: Jim Bliesner; Olivia Puentes Reynolds; Alma Vasquez; Berenice Badillo; M. Lourdes Duran; Kirby White

The Leukemia & Lymphoma Society

60330W. Century Blvd

Los Angeles , CA 90045 County Los Angeles

[www.lls.org/#/aboutlls/chapters/calso/](http://www.lls.org/#/aboutlls/chapters/calso/)

FEIN

13-5644916

Founded: 1949

Previous Donation: ☒ Yes ☐ No \$35,000 7/1/2011 List Date 3/21/2014

**Mission:**

The mission of The Leukemia & Lymphoma Society (LLS) is: Cure leukemia, lymphoma, Hodgkin's disease and myeloma, and improve the quality of life of patients and their families.

LLS is the world's largest voluntary health agency dedicated to blood cancer. LLS funds lifesaving blood cancer research around the world and provides free information and support services.

Our Key Priorities will ensure that: The Leukemia & Lymphoma Society helps blood cancer patients live better, longer lives.

**Impact:**

Any donation would be used to further the mission of the organization

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$14,969	0.0%	The financial info is for the overall national organization. Any donation would be restricted to the Los Angeles Chapter
Contributions	282,657,104	96.5%	
Other	<u>10,150,920</u>	<u>3.5%</u>	
Total Revenue:	<u>\$292,822,993</u>	<u>100.0%</u>	
Expenses:			
Program	\$222,923,399	81.8%	
Administration	2,221,223	0.8%	
Fund Raising	<u>47,258,877</u>	<u>17.3%</u>	
Total Expenses:	<u>\$272,403,499</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$20,419,494</u>		
Net Assets:	<u>\$114,048,779</u>		

BOD: James A. Beck; William G. Gehnke; Jorge L. Benigtez; Peter B. Brock; A Dana Callow Jr.; Elizabeth J. Clark; Jorge Cortes; James H. Davis; Bernard H. Garil; D. Gary Gilliland; Pamela Jo Haylock; Raanan Horowitz; Richard M. Jeanneret; Armand Keating; Joseph B. Kelley; Marie V. McDemmond; Rodman N. Myers; Steven T. Rosen; Kenneth M. Schwartz; Kathryn C. Vecellio; William M. Ward Jr.; Louise E. Warner; Matthew J. Winter

Turrill Transitional Assistance Program, Inc.

2102 N. Arrowhead Ave. Suite A

San Bernardino , CA 92405 County San Bernardino

www.t-t-ap.org

FEIN

71-1012997

Founded: 2006

Previous Donation: ☐ Yes ☒ No

List Date 6/13/2014

**Mission:**

Turrill staff and board members work in collaboration with the Veterans Administration Loma Linda Healthcare System (VALLHS) to provide a wrap-around of outpatient services. Turrill provides an evaluation of immediate physical and/or psychological need and transportation to services, temporary housing, which includes their own bed, bedding, hygiene kit, shower/bath facilities, food and phone. New residents work with their case manager **to become employed and/or enrolled in job training or higher education program after entering the rehabilitation program**. Our program staff works closely with numerous government agencies, employers, employment agencies and job training programs. **They help veterans prepare for employment by providing vocational counseling, and courses in job preparedness, dressing for success, resume writing, interview skills, job search skills and fiscal management skills**

**Impact:**

The organization is in the process of opening a new residential facility in San Bernardino and a donation would assist in this project.

**Financial Information:** IRS Form 990 for FY 2012

Revenues:	Amount	%	Notes
Government/Earned	\$264,485	47.2%	
Contributions	293,322	52.4%	
Other	<u>2,475</u>	<u>0.4%</u>	
Total Revenue:	<u>\$560,282</u>	<u>100.0%</u>	
Expenses:			
Program	\$299,357	80.0%	
Administration	59,588	15.9%	
Fund Raising	<u>15,019</u>	<u>4.0%</u>	
Total Expenses:	<u>\$373,964</u>	<u>100.0%</u>	
Excess/(Deficit) of Revenues Over Expenses:	<u>\$186,318</u>		
Net Assets:	<u>\$217,351</u>		

BOD: Tom Kanavos; Danny Armil; Michael Stava; Paul Ricci; Scot Fisher; Patricia Cawunder; Laurie William-Armil; Margie Miller

VNW Circle of Care

PO Box 218

Temecula , CA 92593 County Riverside

[www.ecomallbiz.com/vnwcircleofcare/door/](http://www.ecomallbiz.com/vnwcircleofcare/door/)

FEIN 73-1691246 Founded: 2007

Previous Donation: ☐ Yes ☒ No List Date 6/26/2014

**Mission:**

We serve about 400 families each week with grocery distribution 9 times a week at different locations. Our focus is serving nutritious food items that are high in protein, fresh produce, fresh dairy and we have also for the past 12 years, had the ability to provide vitamins and supplements for adults & children. Our recipients choose the food items that they will bring home, as we want to be conscientious of dietary restriction that some people have. We serve all that say they need help, we do not have by-laws that restrict us demographically or geographically, we serve many families that do not qualify with the government agencies or non-profits. Circle of Care networks with other organizations and resources to address the many needs a family may have, we also partner with other organizations to share resources.

**Impact:**

A donation would assist in providing food for the needy

**Financial Information:** IRS Form 990EZ for FY 2013

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	24,129	100.0%	
Other	2	<u>0.0%</u>	
Total Revenue:	<u>\$24,131</u>	<u>100.0%</u>	
Expenses:			
Program	\$22,388	100.0%	
Administration			
Fund Raising			
Total Expenses:	<u>\$22,388</u>	<u>100.0%</u>	
Excess/(Deficit) of			
Revenues Over Expenses:	<u>\$1,743</u>		
Net Assets:	<u>\$10,110</u>		

BOD: Garland Gauthier; Charles Keim; Marcie Schumltz

# **CALIFORNIA FOUNDATION FOR STRONGER COMMUNITIES**

## INTERNAL CONTROLS

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Commitment to Excellence

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## Internal Control Policy

ID: IC-100 Internal Control Policy		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 29

### Purpose

The California Foundation for Stronger Communities ("CFSC") uses a system of internal controls to protect CFSC assets, ensure the integrity and reliability of its information, secure compliance with laws, polices procedures, and ensures the performance of its business objectives.

Internal Controls are a process that is established, reviewed, and continually monitored by the CFSC's Board of Directors, Finance Committee and Financial Advisors. It is the responsibility of the Board of Directors, Finance Committee, Executive Director, and Financial Advisors to ensure an adequate internal control system is actually implemented and used. It is the Finance Committee, Executive Director, and Financial Advisors' responsibility to establish and maintain adequate internal control over financial reporting. It is the responsibility of all parties to understand the internal controls and ensure they are effective.

### Definitions

#### Assessable Unit

A unit is a division, department, or segment ~~which~~ that is to be the subject of measurement and risk assessment.

#### Control Objectives

An Objective is a goal or target to be achieved for each internal control. Objectives are tailored to fit the specific operations in each assessable unit.

#### Cycle

The processes used to initiate and perform related activities in order to create the necessary documentation, and to gather and report related data (e.g., revenue cycle, accounts payable cycle).

## **General Control Environment**

This includes concepts of integrity, ethical values, competence, philosophy and operating style, organizational structure, delegation of authority, and written policies and procedures.

## **Inherent Risk**

Means the degree to which activities are exposed to the potential for loss, inappropriate disclosure, or other negative conditions.

## **Internal Control Review**

This is a periodic review of internal methods and systems to determine whether adequate measures exist and are actually implemented to prevent or detect the occurrence of potential risks or incorrect financial reporting.

## **Project/Program Controls**

These controls cover the planning, executing, and accomplishment of specific goals and objectives.

## **Risk Assessment**

Risk assessment is the process of determining the relative potential for negative impact of an assessable unit's resources due to inadequate control techniques and/or other environment factors. The results of the assessment are used to mitigate inherent risks.

## **Internal Control Activities**

- Policies
- Procedures
- Sequences or combination of procedures
- Assignments of duties, responsibilities, and authorities
- Physical arrangements or processes
- Combinations of the above

## **Control Framework**

The CFSC has implemented an internal control system and framework based on its internal and external needs.

It is the policy of the CFSC to ensure that its control framework provides for strong corporate governance.

It is the policy of the CFSC that its internal control system be a relevant evaluation tool for internal control over financial reporting.

It is the policy of the CFSC that its own internal control framework and review evaluations:

- Be free from bias
- Permit reasonably consistent qualitative and quantitative measurements of the CFSC's internal control system
- Are sufficiently complete so that those relevant factors that would alter a conclusion about the effectiveness of the CFSC's internal controls are not omitted

### **Control Environment**

The core values of the CFSC promote high standards of integrity, ethics, and competence.

### **Risk Assessment**

The CFSC has a Risk Management Policy and is aware of and deals with the risks it faces.

### **Control Activities**

Control policies and procedures are established and executed to help ensure that actions necessary to achieve objectives are effectively carried out. These activities include an integrated system of policies, procedures, internal controls, and evaluation tools.

### **Information and Communication**

Communication systems enable Financial Advisors to capture and exchange the information needed to conduct, manage, and control operations. They also provide mechanisms to relate information within the CFSC and to external parties.

## **Monitoring**

The control process is monitored, evaluated, and modified as necessary to react to changing conditions. Control evaluations are a continuous process and are reported as required by certain regulations and CFSC policy.

## **Internal Control Policy Statements:**

The CFSC shall use both management and accounting control measures. The internal control measures shall be designed to be detective, preventative, physical, technological, and corrective. The controls shall consist of hard controls, like testing, validating, reconciling, and measuring, and soft controls, like tone and attitude.

## **Management Controls**

Management controls maximize efficiency and force compliance with CFSC policy, procedure, and government regulation.

## **Accounting Controls**

Accounting controls relate to protecting CFSC assets and ensuring the accuracy of financial reports.

The CFSC uses policies and procedures associated with the activities concerned with authorizing, processing, recording, and reporting financial transactions. The accounting controls shall ensure that information resulting from these activities is accurate, reliable, and useful.

## **Policies and Procedures**

The CFSC maintains sophisticated policies, procedures and internal controls.

## **Communication**

The CFSC communicates its policies, procedures, and internal controls through various handbooks, programs, training, and computer network. The Finance Committee, [Executive Director](#), and Financial Advisors shall also communicate by example.

## **Financial Forecasting**

The CFSC's Financial Advisors along with the CFSC Finance Committee will prepare financial forecasts.

### **External Auditing**

The CFSC, from time to time, performs external (CPA) audits.

### **Risk Assessment and Mitigation**

The CFSC continually seeks to identify, assess, and mitigate business risks. The CFSC has defined risk management policies.

### **CFSC Mail**

The person who opens the mail stamps the back of each check "For Deposit Only..". ~~At the end of each month the list of checks received is totaled and reconciled to the bank statement.~~

### **Cash**

The CFSC does not accept cash payments or maintain any petty cash accounts.

### **Check Stock**

The blank check stock shall be secured in a safe or locked cabinet and accessible only by the CFSC Treasurer, Financial Advisor's Finance Manager or Financial Advisor's Operations Manager.

### **Blank Checks**

The CFSC does not distribute blank checks.

### **Bank Signatories**

The bookkeeper or accountants are not bank signatories. CFSC Treasurer, Assistant Treasurer, Executive Director, Financial Advisor's Finance Manager and Financial Advisor's Operations Manager or other designees as approved by the CFSC Board will serve ~~are as~~ bank signatories.

### **Spoiled Checks**

Spoiled checks are stamped VOID and if the check is signed the signature should be removed (cut off).

### **Monthly Bank Statements**

In most cases, the [Financial Advisor's](#) Finance Manager will download the bank statement directly from the bank for reconciliation.

If mailed bank statements are used for bank reconciliations, the monthly bank statement shall be transmitted unopened to someone other than the Financial Advisor's Accountant for an initial review. The initial review should confirm that all signatures were proper, no checks were altered, no unauthorized transfers occurred.

### **Fidelity Bonds**

The CFSC will consider obtaining fidelity bonds on the CFSC Treasurer, [Executive Director](#), Financial Advisor's Finance Manager, Financial Advisor's Operations Manager, Financial Advisor's Accountant and anyone else who control vulnerable assets.

### **CFSC Transactions**

All transactions of the CFSC must be authorized, approved, executed and recorded.

### **Asset Accounting and Custody**

When practicable, any individual that has custody of an asset should not perform the accounting for the asset. For example, an individual in charge of cash receipts should not reconcile the bank account.

### **Related Transactions**

When practicable, no one person or department handles any transaction from start to finish.

### **Documentary Evidence**

All transactions require documentary evidence to verify the transaction.

### **Serially Numbered Documents**

All documents like checks and invoices will be serially numbered.

### **Control Modification**

Policies, procedure, division of duties, forms, and other internal controls shall only be modified as authorized by the CFSC Finance Committee.

#### **Annual Internal Review**

The CFSC reviews its control framework including, policies, procedures, division of duties, forms, systems, programs and training on an annual basis. This review is performed at the direction of the CFSC Finance Committee. All Financial Advisors are encouraged to provide input regarding controls and suggest measures that may help the CFSC be more effective in reaching its objectives.

Specifically, the CFSC's Financial Advisors, with the participation of the CFSC's Finance Committee, will evaluate any change in the CFSC's internal control over financial reporting that occurred during a semi-annual period has materially affected, or is reasonably likely to materially affect, the CFSC's internal control over financial reporting.

#### **Annual Auditor Review**

The CFSC's public accounting firm is required to annually attest to, and report on, the CFSC's Audit Committee and Financial Advisor's assessment of the effectiveness of the CFSC's internal control over financial reporting. The CFSC's public accounting firm is also required to develop and maintain evidential matter to support such assessment. Under no circumstances shall the CFSC's Audit Committee or Financial Advisors delegate responsibility to assess its internal controls over financial reporting to the auditor.

## Internal Control Environment

ID: IC-120 Environment		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

The CFSC's Board of Directors and Financial Advisors have established and maintain an environment throughout the organization that sets a positive and supportive attitude toward strong corporate governance and internal control.

This document provides a checklist to review the internal control environment.

### Values

#### Policies and Procedures

The CFSC has established and uses formal policies, procedures and codes of conduct and other devices communicating expected behavioral standards, acceptable business practices, and conflicts of interest.

The policies and procedures are comprehensive.

The policies and procedures are in writing.

The policies and procedures are communicated to and acknowledged by the Financial Advisors and Executive Director.

#### Tone

An ethical tone has been established by the CFSC Board of Directors, Finance Committee, Executive Director, and Financial Advisors.

This ethical tone has been communicated to the Financial Advisors and Executive Director.

Obstacles exist that minimize temptation for unethical behavior.

The policies, procedures, and overall general attitude of the CFSC create a culture of conformity to high ethical and moral standards.



Financial Advisors and the Executive Director are not expected to achieve unrealistic goals.

### **Community**

Dealings with the public, government, suppliers, auditors, and others are conducted based on standards communicated in the Ethics Policy.

CFSC reporting is proper and accurate (not intentionally misleading).

CFSC Board of Directors and Financial Advisors and Executive Director cooperate with auditors and other evaluators.

Accounting errors are quickly corrected.

The Code of Ethics and Business Conduct Policy is uniformly enforced.

Policies require that the CFSC Board of Directors or CFSC Finance Committee can approve modification of the internal control system.

### **Organizational Structure**

The organizational structure of the CFSC is appropriate and efficient given the environment.

The CFSC has a documented organizational chart.

The structure of the CFSC facilitates excellent communication throughout the CFSC.

### **Delegated Authority**

The CFSC has a Delegated Authority Policy.

The delegation of authority is appropriate such that individuals are not responsible for activities they lack the Foundation or expertise to complete.

### **Oversight Groups**

There are mechanisms in place within the CFSC to monitor and review ongoing operations.

An outside audit firm, who is independent from the CFSC, ~~and~~ Financial Advisors and Executive Director, audits and reviews CFSC activities.

## Internal Control Activities

ID: IC-130 Activities		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

### Overview

Internal control activities are the policies, procedures, and systems used help ensure proper general management and strong corporate governance. This includes both the CFSC's written documentation and the activities used to measure and evaluate performance and conduct. Specific control activities include internal and external reviews, authorizations and approvals, and the tools used to evaluate and measure performance and test the adequacy of the CFSC's internal controls system.

This document provides a tool to help evaluate the CFSC's overall control activities.

All relevant policies and procedures are in writing.

The CFSC Finance Committee ~~and~~ Financial Advisors and Executive Director are educated in internal control and participate in the process.

The CFSC has properly safeguarded its assets.

The CFSC utilizes a well-respected and sophisticated computerized accounting system.

The CFSC has a Division of Duties Policy and that policy is incorporated into all other relevant policies and procedures.

The CFSC has Records Management and retention policies and procedures.

Inspection of the records indicates they are properly current, classified, coded, and retained.

Internal control documentation exists and complies with CFSC and government requirements.

There is evidence of internal control review by Financial Advisors, Executive Director, and CFSC Finance Committee.

There is evidence of external review like audited financial statements.

The audited financial statements will contain a review of the CFSC's internal controls.

## Internal Control - Risk Assessment

ID: IC-140 Risk		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

### Overview

The CFSC has established policies and procedures to identify, assess and manage both the internal and external risks it faces. The CFSC deals with risks on both an entity wide basis and activity level basis.

This document provides and evaluation tool to assess the effectiveness of the CFSC risk management practices.

### Establishment of Entity wide Objectives

The CFSC has a mission statement.

The CFSC has annual financial objectives / budgets.

### Risk Identification

The CFSC has a Risk Management Policy.

The Risk Management Policy will be successfully integrated into business operations.

Risk Management occurs at both CFSC Board ~~and~~ Financial Advisor and Executive Director levels.

Risk Management occurs for both entity-wide and activity level objectives.

## Internal Control - Information and Communications

ID: IC-150 Information Communications		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Overview

Internal control of information and communications refers to the controls ensuring timely communication of useful, relevant and reliable information. Information includes both financial and non-financial data ~~which that~~ may relate to both internal and external events. Communication refers to the publishing of the information.

### Information

Financial Advisor and Executive Director regularly review~~s~~ important internal information ~~which that~~ is critical to achieving CFSC objectives.

Financial Advisor and Executive Director ~~has have~~ mechanisms in place to ensure internal information is timely, useful, and accurate.

The CFSC has Financial Reporting Policies.

Financial Advisor and Executive Director regularly review~~s~~ internal and external information which may indicate either opportunity or risk to the CFSC.

The CFSC has a mechanism for identifying and distributing pertinent information to the right people.

### Communications

Financial Advisors and Executive Director ensure effective communication by regularly reviewing communication within the organization and with stakeholders.

Financial Advisors and Executive Director ensure accurate and effective communications with all stakeholders.

Financial Advisors and Executive Director ensure accurate information is communicated to outside parties.

Financial Advisors and Executive Director know and are comfortable that reprisals will not occur for reporting negative information or information concerning violation of CFSC policy, procedure, or internal control.

Stakeholder grievances and suggestions are welcomed, reported centrally, and used to identify internal control weaknesses and improve operations.

Significant risks and unusual circumstances are properly reported both internally and externally.

The CFSC Code of Ethics and Business Conduct Policy is-are properly communicated.

### **Communication Methods**

The CFSC emphasizes the use of technology for communication.

The CFSC continually evaluates new and emerging communication technologies.

The CFSC continually monitors and enhances security with regard to the use of technology.

## Internal Control - Monitoring

ID: IC-160 Monitoring		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

### Overview

Monitoring refers to the continuous assessment and implementation of the CFSC's internal control system. Monitoring includes the normal day to day standard operating procedures used by the CFSC to conduct business and the evaluation of Financial Advisors understanding of those procedures. Monitoring also includes both internal and external quality assessments of the internal control system. The results of the quality assessments are used to produce a positive impact on the internal control system i.e. that recommendations are actually implemented.

The Finance Committee ~~and~~ Financial Advisors [and Executive Director](#) understand they are responsible to ensure that the internal controls are effective.

Financial Advisors [and Executive Director](#) know they are expected to notify the Finance Committee or Board of Directors of suspected internal control weaknesses.

Financial Advisors [and Executive Director](#) know they are expected to notify the Finance Committee or Board of Directors of information inaccuracies because they may indicate internal control weaknesses.

External CPA audits are conducted annually.

External CPA audits include a review of the CFSC internal control system.

Internal control weaknesses and deficiencies are immediately corrected by Financial Advisors.

## Internal Control - Financial Reporting

ID: IC-200 Financial Reporting		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

There are policies and procedures established for month and year-end reporting of accounting transactions.

The CFSC has a detailed chart of accounts with descriptions of each account contents.

Accrual transactions are reviewed to determine that expenditure or revenue recognition is proper.

Journal entries are properly approved and documented as necessary.

Financial statements are reconciled to the general ledger prior to publication



## Internal Control - Revenue Cycle

ID: IC-210 Revenue Cycle Controls		Internal Controls	
Effective Date: <u>03/01/12</u> <del>09/19/14</del>	Last Revision: <u>02/01/12</u> <del>10/12/12</del>	Version: 10.0	Total Pages: 1

### Overview

The revenue cycle includes accounting transactions resulting from events that produce revenue for the entity. These include:

- Application fees
- Issuance fees and annual fees at bond closing
- Annual administration fees

### Division of Duties

When practicable, Accounts Receivable recordkeeping is separate from cash receipts.

When practicable, Accounts Receivable personnel do not make general ledger entries.

When practicable, Bank reconciliations are prepared by persons independent of cash receipt responsibilities.

### General Revenue Cycle Controls

Numbered forms are used for invoices and credit memoranda.

A/R aging reports are produced monthly and reviewed by the ~~Finance Committee~~Treasurer and Assistant Treasurer, Executive Director, and both the Financial Advisory firm's Accountant and Finance Manager.

### Cash Receipts and Collections

In general, the CFSC receives payments in the form of check or wire transfer instead of cash.

If practicable, when cash is received by mail it is first handled by non-AR personnel.

Checks are restrictively endorsed.

Cash and Checks are deposited daily.

| If practicable, pPersonnel with access to cash will be bonded.

## Internal Control - Accounts Receivable Procedures

ID: IC-220 Accounts Receivable		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Division of Duties

When practicable, the maintenance of Accounts Receivable accounts and related subsidiary ledgers should be separated from at least one of the functions of:

- Sending invoices to clients
- Establishing charges to the receivables accounts
- Recording cash receipts and preparing the deposits
- Approval of any adjustments or write-off to any receivable accounts
- Reconciling bank accounts

Persons other than those responsible for receivable record keeping handle disputed billings.

When practicable, the accounts receivable function is maintained independently of cash receipt and disbursement functions.

Non-cash credits, bad debt write-offs and credit memos are approved independently of processing, recording and collection.

### Documentation

Procedures exist to prepare and send billings as soon after the performance of service as possible and at least within 30 days

Adequate control exists over the mailing / emailing of invoices and statements to prevent interception prior to the mailing.

### **Transactions**

All billings are controlled and properly accounted for with numerical processing controls.

All valid receivables are promptly recorded.

All adjustments to the accounts are recorded in the appropriate period.

Credit balances are reviewed periodically.

Billing and collection transactions are reviewed periodically to ensure compliance with Accounts Receivable Policy.

Collections of accounts receivable are deposited daily.

### **Collections**

A responsible manager reviews the accounts receivable aging at least monthly.

All collections of accounts receivable are posted to individual receivable accounts.

### **Materiality write-off**

Any invoice overpayment or underpayment in an amount of \$10.00 or less may be written off.

Reason for writing off an account are adequately documented either in the accounting software as a memo or in the customer A/R file.

### **Bad Debt write-off**

Reasons for writing off an account are adequately documented.

Write-off of bad debt accounts and adjustments for disputed amounts or other items are approved by the CFSC ~~Chair~~, Treasurer, ~~or~~ Assistant Treasurer, or Executive Director.

## Internal Control - Expenditure Cycle

ID: IC-300 Expenditure Cycle Controls		Internal Controls	
Effective Date: <del>03/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

### Division of Duties

When practicable, Accounts Payable is separate from, receiving, and disbursement functions.

### General Expenditure controls

Supporting documents are attached to invoices submitted for payment.

Check controls are in place.

The Financial Advisor's Accountant is not a check signer.

Approval per the Disbursement Approval Procedure is required prior to checks being released.

Positive pay must be used for all check payments. Financial Advisors will import / enter check information into banking system and a Board Member or Executive Director must approve check file.

The Financial Advisor's Operations Manager is the primary check signer and the Financial Advisor's Finance Manager is the backup check signer.

Checks payable to Financial Advisors must be signed by a CFSC Board Member or Executive Director signatory.

Blank checks are not distributed to vendors or others.

Signed checks are immediately mailed.

Check signers are required to take vacations.

## Internal Control - Purchasing

ID: IC-310 Purchasing		Internal Controls	
Effective Date: <del>03/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

### Overview

The CFSC does not typically purchase assets to be used in the general course of business. Expenditures related to marketing events or other activities are approved by the CFSC Board of Directors.

### Approval

Purchases of goods and services by the CFSC are approved by the CFSC Board of Directors or their authorized representatives.

### General Controls

Vendor invoices are received and reviewed by the Financial Advisor's Finance Manager or Operations Manager prior to being entered in the Accounts Payable system.

Purchasing Payments are processed based on the Accounts Payable Policies and Disbursement Approval Procedure.

## Internal Control - Accounts Payable

ID: IC-320 Accounts Payable		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Purpose/Discussion

This document provides a checklist to review the Internal Control of Accounts Payable

### Division of Duties

When practicable, reviewing and entering of payables into the accounting system is separate from the processing of vendor check payments

### Purchasing

All expenditures are approved in accordance with the CFSC written Accounts Payable Policies and Procedures.

### Accounts Payable

Invoices are reviewed for accuracy.

Vendor credit memos are resolved promptly by cash refund or proper credit to the account.

Payments based on the CFSC program guidelines such as JPA Member distributions, charitable distributions and Financial Advisor payments may be processed after the bond closing and the CFSC receives payment from Borrower. Payments require proper authorization as outlined in the Disbursement Approval Procedure.

Annual administration fees payable to Financial Advisors may be processed after receipt of payment by the CFSC. Payments require proper authorization as outlined in the Disbursement Approval Procedure.

Performance deposit refunds may be processed after either:

- a) notification by borrower of withdrawal of the allocation application prior to allocation being awarded by the California Debt Limit Allocation Committee ("CDLAC")
- b) notification by borrower of a partial reduction in the amount of allocation to be requested from CDLAC
- c) notification from CDLAC that allocation was not awarded to borrower
- d) receipt of a release of allocation notice from CDLAC

Performance deposit refunds require proper authorization as outlined in the Disbursement Approval Procedure.

#### **Materiality Write-Off**

Overpayments or underpayments that total less than \$100.00 per vendor may be written off.

Reason for writing off a vendor adjustment are adequately documented either in the accounting software as a memo or in the customer A/P file.



## Internal Control - Check Controls

ID: IC-330 Check Controls		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Overview

This document describes the procedures required to maintain proper control of CFSC checks. The following procedures are discussed:

- Check Signing
- Distribution of Signed Checks
- Transmittal of Checks
- Voided or Canceled Checks
- Stop Payment Orders
- Paid, Voided and Canceled Check Storage

### Check Signing

All checks are manually signed by an authorized signatory. Facsimile signatures are not used.

Board Member signers may sign any check.

Financial Advisor signers may sign any check EXCEPT checks payable to Financial Advisor. Financial Advisor checks can only be signed by a Board Member signer or Executive Director.

After all the checks are signed, they are immediately mailed to the payee.

### Distribution of Signed Checks

Signed checks awaiting distribution or pick-up must be kept in a locked storage place accessible only to the check custodian

All other A/P checks should be mailed in a timely manner

### **Voided or Canceled Checks**

A voided check is a check spoiled in the process of preparation, before it is recorded.

A canceled check is a check that is not paid by the bank, but is recorded and reversed in the accounting records.

The words "VOID" or "CANCELED" shall be prominently placed across the payee's name. Both voided and canceled checks shall be retained in accordance with the Records Schedule.

### **Stop Payment Orders**

The bank's acknowledgment of the stop payment order should be attached to the original check stub and filed with voided and cancelled checks

## Internal Control - Cash

ID: IC-410 Cash		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Purpose

This document provides a checklist to review your internal control over cash handling, cash disbursements, and cash receipts.

### Division of Duties

When practicable, the responsibility for collection and deposits is separate from the recording of cash receipts and general ledger entries.

When practicable, the responsibilities for cash receipts and cash disbursements are separate.

When practicable, the responsibilities for preparing checks and approving checks is separate from the recording or entering of invoices in accounts payable and the general ledger.

When practicable, the responsibility for making entries in the cash receipts and cash disbursement systems is separate from making general ledger entries.

When practicable, the collecting of cash and reconciliation of the bank account are separate functions.

### Documentation

General ledger control exists over all bank accounts.

Bank Signatories are periodically reviewed

Accounts payable documentation is noted when payment is made to prevent duplicate payments.

Reconciliation is performed on all accounts, using supporting documentation.

Cash receipts are controlled at the earliest point of receipt.

Cash receipts are deposited on a timely basis.

A restrictive endorsement is placed on each incoming check upon processing by the electronic check deposit system

Un-deposited cash receipts are stored in a secured area.

During bank reconciliation procedures, deposit amounts are compared with the cash receipt entries

| When practicable, Financial Advisors that handle cash are bonded.

## Internal Control - Data Integrity

ID: IC-550 Data Integrity		Internal Controls	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 1

### Division of Duties

Data input and processing activities are separated where applicable.

Incompatible duties are identified and the CFSC uses user id and password controls to enforce the segregation of duties.

### Disaster Controls

Computer data is backed up on at least a weekly basis.

Data is backed up to off-site locations.

### Procedures

Data is entered in a timely manner.

Data entry users have unique user id's and passwords.

User passwords are changed periodically.

Procedures exist to ensure that terminated ~~Board Member~~, Financial Advisors ~~and~~ Executive Director user id's and passwords are immediately deleted.

All security violations are documented and investigated.

## **Appendix – Policies & Procedures**

(Updated by Audit Committee & Finance Committee)

## Disbursement Approval Procedure

<b>ID: Admin-210 Disbursement Approval Procedure</b>		<b>Administration</b>	
Effective Date: <u>02/01/2019/19/14</u>	Last Revision: <u>02/01/2010/12/12</u>	Version: 10.0	Total Pages: 1

### Item

### Authorization Required for Payment

Program Payments (JPA Member, Charity, <del>Etc.</del> <del>Financial Advisor, Escrow,</del> <del>Etc.</del> )	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer, <del>Executive</del> <del>Director, Financial Advisor,</del> or designee <u>except for exclusions noted in</u> <u>Accounts Payable Procedures.</u>
Reimbursements	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Independent Contractor	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Insurance	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Marketing Expenditures	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Professional Fees	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Real Property Leases	<del>Approval by</del> CFSC Board
Services	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Supplies	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Subscriptions	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Utilities	<del>Approval by one of:</del> CFSC Board, Treasurer, Assistant Treasurer or designee
Other	<del>Approval by</del> CFSC Board

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### Approved Forms of Authorization:

1. Board Resolution
2. Email Confirmation / Approval
3. Approval of Positive Pay File

## Code of Ethics and Business Conduct Policy

ID: Admin-300 Code of Ethics		Administration	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 4

### Overview

This policy describes the code of conduct expected of all [Board of Directors](#), [Executive Directors](#), and Financial Advisors. It is general and not intended to be all-inclusive.

### Policy

The CFSC is committed to being an ethical and responsible member of society. In order to ensure the highest standards of ethics, honesty, governance, and integrity are maintained, we have adopted this Code of Ethics Policy. We refer to the elements of this policy as our Code. Our Code provides the guidelines and standards for acceptable business conduct.

It is our policy that all [Board of Directors](#), Financial Advisors [and Executive Directors](#) ~~and Directors~~ shall abide by and comply with the Organization's Code.

An individual that believes they have discovered a matter that appears to be in violation of the Code has a duty to report the matter. This matter may be reported to the individual's supervisor or to the CFSC Board of Directors.

We have also adopted a policy to ensure that individuals reporting a genuine concern or complaint will not be discriminated or retaliated against and have the opportunity to make such reports anonymously.

### Applicable Laws

The conduct of the CFSC and its Financial Advisors [and Executive Director](#) are to be in compliance with the laws and regulations relating to the CFSC's business.



## **Generally Accepted Government Auditing Standards (GAGAS)**

Generally Accepted Government Auditing Standards are accounting principles that are considered to have substantial authoritative support. All CFSC records are to be in compliance with GAGAS and Securities and Exchange Commission laws and regulations.

Financial Advisors are expected to maintain accurate and reliable corporate records that comply with GAGAS, the SEC, and CFSC policies and procedures.

The CFSC Chair, Treasurer, and others identified by the Board have specific legal obligations to ensure the CFSC provides full, fair, accurate, timely, and understandable financial reports and internal controls.

## **Equal Employment Opportunity**

We do not tolerate unlawful discrimination or harassment of any kind. Employment here is based solely on your merit and qualifications.

## **Moral and Ethical Standards**

All individuals are expected to adhere to sound moral and ethical standards.

## **Loyalty**

All individuals have a duty of loyalty to the CFSC and may not take personal advantage of any opportunity that properly belongs to the CFSC.

## **Kickbacks and Gratuities**

The CFSC considers it to be unethical and illegal for any individual to accept or offer payment, gift, gratuity, or employment to or from vendors, contractors, or government officials as an inducement for preferential treatment. All offers for kickback and gratuity shall be reported to the Audit Committee.

## **Conflicts of Interest**

No employee, officer, or director shall be, potentially be, or appear to be, subject to influences, interests, or relationships, which conflict with the best interests of the CFSC.

Financial Advisors should not engage in outside interests without knowledge of the CFSC Board that divert time and attention from properly attending to CFSC affairs.

The CFSC does not make loans to or guarantee obligations of CFSC Officers and Directors, ~~or~~ Financial Advisors or Executive Director.

### **Improper Influence on Conduct of Audits**

No Officer, Director, or any other person acting under the direction thereof, shall take any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit of the financial statements of the CFSC for the purpose of rendering such financial statements materially misleading. Examples of such behavior include, but are not limited to:

Offering or paying bribes or other financial incentives, including offering future employment or contracts for non-audit services.

Providing an auditor with an inaccurate or misleading legal analysis.

Threatening to cancel or canceling existing non-audit or audit engagements if the auditor objects to the CFSC's accounting.

Seeking to have a partner removed from the audit engagement because the partner objects to the CFSC's accounting.

Blackmailing and making physical threats.

Confidential Information.

Financial Advisors and Directors may not divulge confidential or proprietary information except as authorized by the Board of Directors in a properly noticed meeting.

### **Political Activities**

No CFSC funds or assets will be contributed or used for the purpose of influencing any election.

### **Safety and the Environment**

The CFSC is committed to full compliance with all safety and environmental laws and regulations. All Financial Advisors and the Executive Director are expected to comply with these laws, regulations and CFSC policies.

## **Antitrust**

Any planning or acting together with competitors about the nature, extent, or means of competition is a violation of CFSC policy and antitrust laws. This includes, but is not limited to, price fixing, sales or production quotas, geographic competition, and boycotts.

## **Compliance Procedures**

Any employee who knows, or has reason to believe, of violations to this Code or other CFSC policies and procedures is expected to promptly report the violation to:

Name: Edward Becker  
Telephone: (951) 846-6144  
FAX: N/A  
Email: Edward.j.becker@gmail.com  
Mail: 13838 Meadow Lane  
Lytle Creek, CA 92358-0239

Reporting may be anonymous. No individual will be subject to retaliation, discrimination, or other adverse treatment for reporting known or suspected violations of this and other CFSC policies and procedures.

As part of its regular auditing procedures, the CFSC and Financial Advisors will periodically review internal policies and procedures and report their finding to Board of Directors.

The CFSC's external auditors are also expected to report in writing any known or suspected violations of this and other CFSC policies.

## Delegated Authority Policy

ID: Admin-500 Delegated Authority		Administration	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Overview

It is necessary to identify the CFSC officials, Consultants, and ~~Financial~~ Advisors who have Foundation to conduct CFSC Business. This policy shall delegate to the Board Chair, Treasurer or Assistant Treasurer all Foundation to further delegate approval Foundation as is necessary to conduct the organization's business.

Under this Policy approval Foundation is granted as follows:

### Discussion

The Financial Advisor's Finance Manager and Operations Manager, as well as the CFSC Executive Director are authorized to execute any instrument which has been specifically approved by the CFSC Board, ~~Board Chair~~, Treasurer, Assistant Treasurer or other designated Board Officer or which does not require prior approval pursuant to other parts of this policy.

The Secretary and any Assistant Secretary Designee are authorized to attest the signature of the above named officers on any instruments executed by them pursuant to this policy.

### Accounting Adjustments

All adjustments to the general ledger in amounts greater than those outlined in the Accounts Receivable Procedures and Accounts Payable Procedures shall be approved by the Treasurer, Assistant Treasurer, ~~or~~ Financial Advisor's Finance Manager or Executive Director.

### Accounts Receivable Write offs

All accounts receivable write offs in amounts greater than those outlined in the Accounts Receivable Procedures shall be approved by the Treasurer, Assistant Treasurer or ~~Board Chair~~Executive Director.

### **Bank Signatories**

The CFSC ~~Board Chair~~, Treasurer, Assistant Treasurer, Executive Director, Financial Advisor's Finance Manager and Financial Advisor's Operations Manager and any other designees approved by the CFSC Board are authorized Bank Signatories.

### **Disbursements**

The CFSC Board authorizes disbursements according to the Disbursement Approval Procedure.

## Accounts Payable Policy

ID: AP-100 Accounts Payable Policy		AP & Disbursements	
Effective Date: <del>03/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Purpose and Scope

The purpose of this policy is to describe the principles of business conduct expected of all ~~employees~~ officials and consultants in relation to the issuance of payments for CFSC obligations, and to safeguard CFSC assets. This policy is general and not intended to be all-inclusive.

### Applicable Laws

The conduct of the CFSC and its employees are to be in compliance with the laws and regulations relating to the CFSC's business.

### Approval Foundation

Approval authorities are identified in the Delegated Authority Policy, Accounts Payable Procedures, and Disbursement Approval documents.

### Generally Accepted Government Auditing Standards (GAGAS)

All CFSC records are to be in compliance with Generally Accepted Government Auditing Standards.

### Moral and Ethical Standards

All parties are expected to adhere to sound moral and ethical standards.

### Kickbacks and Gratuities

The CFSC considers it to be unethical for any Board Member, ~~or~~ Financial Advisor or Executive Director to accept payment, gift, gratuity, or employment offers from vendors or contractors as an inducement for preferential treatment in the payment of CFSC obligations. All offers for kickback and gratuity shall be reported to the Treasurer.

**Loyalty**

No employee should be, or appear to be, subject to influences, interests, or relationships, which conflict with the best interests of the CFSC.

**Timeliness**

In order for our financial records to be accurate and our vendors to be paid in a timely manner, our Financial Advisors and Executive Director must carry out their assigned duties in a timely manner.

## Accounts Payable Procedures

ID: AP-200 Payables Procedures		AP & Disbursements	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 3

### Overview

Accounts Payable is the process of keeping track of CFSC financial obligations. It involves the acceptance of invoices from vendors, recording the invoices in the computer system, and payment to vendors. This section describes the procedures and forms used in accounts payable.

The purpose of this procedure is to provide consistent Accounts Payable procedures in the handling of invoices and issuance of checks. These procedures are intended to provide safeguards for maintaining the quality and integrity of the accounts payable system.

### General Accounts Payable Guidelines

#### Segregation of Duties

If practicable, the person entering new vendors into the accounting system should not approve invoices or approve new vendor setup.

If practicable, the person processing invoices does not make general ledger entries.

If practicable, the person writing the checks does not also prepare the bank reconciliation.

If practicable, preparation of cash disbursements, approval, and making entries to the general ledger should all be separate functions.

The person writing the checks does not also import / enter the paid check file into the bank positive pay system.

Only the Treasurer, Assistant Treasurer, Executive Director, or other designated Board Member may provide the approval of the positive pay file in the bank system.



## **Approval ~~Foundation~~ Authority**

### **Disbursement Approval Procedure**

Disbursements are approved for payment according to the Disbursement Approval Procedure.

### **Existing Vendors**

CFSC policy is to buy from vendors where the CFSC has is an existing account.

### **New Vendors**

Only the CFSC Treasurer, Assistant Treasurer, Executive Direcotr, Financial Advisor's Finance Manager or Financial Advisor's Operations Manager may authorize new vendor accounts.

### **Setting up and maintaining Vendors in the Computer**

When practicable, the A/P clerk does not set up or maintain vendors in the accounting system.

### **Coding and Entering Invoices**

Invoices will be coded to the appropriate income / expense account listed in the CFSC's accounting system. New GL accounts will only be created by the Treasurer, Assistant Treasurer or Financial Advisor's Finance Manager.

### **Payment**

#### **Selecting Invoices for Payment**

All accounts payable invoices should be processed in a timely manner. Checks for payment of CFSC obligations will be issued no later than one week prior to the vendor due date. Cash disbursements should be prepared by the Financial Advisor's Accountant, Financial Advisor's Finance Manager or Financial Advisor's Operations Manager for signature by an authorized bank signatory.

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#### **Scheduled Payments**

Recurring payments will be placed on the Memorized Transaction List as authorized by the Delegated Authority Policy. The Financial Advisor's Finance Manager or Financial

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Advisor's Staff Accountant will review the list on a monthly basis. The Memorized Transaction List will be considered payment ~~Foundation authority~~ for vendor obligations on the list.

### **Check Signing & Processing**

The CFSC does not utilize facsimile signatures or signature plates.

Checks will be signed manually by an authorized Financial Advisor or CFSC Board Member bank signatory after invoice or credit memo review.

Prior to any checks being disbursed, disbursement approval must be received as outlined in the Disbursement Approval Procedure.

~~Checks payable to Financial Advisors can only be signed by the CFSC Treasurer, Assistant Treasurer or other designated Board Member who is also a bank signatory. Financial Advisor or Executive Director may not act as the signatory for checks made payable to them or their firm.~~

All checks will be mailed as soon as this process is completed.

A positive pay file will be uploaded in a timely manner into the bank system and approved by someone other than the Financial Advisor.

CFSC Treasurer, Assistant Treasurer, Executive Director, and Financial Advisors will be set up to receive email alerts from the bank for any of the following events.

- A check was presented that was not entered in the positive pay system.
- Account Overdraft
- Outgoing wire transfer payment

Supporting documentation should be filed in appropriate vendor files.

The Financial Advisor's Finance Manager will utilize the paid invoice files to respond to any discrepancies ~~which that~~ arise with vendors or other payees.

Once monthly, the Financial Advisor's Finance Manager will check the invoice log to determine if there are any outstanding invoices ~~which that~~ have not yet been paid. If so, the Financial Advisor's Finance Manager will investigate the nonpayment of these invoices with the responsible staff member.

### **Check Stock and Check Signer Security**

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The CFSC will not utilize facsimile signatures and will not have signature plates or signature stamps.

All check stock will remain in a safe or locked drawer under control of the Financial Advisor's Finance Manager or Financial Advisor's Operations Manager until checks are ready to be printed.

## Division of Duties Policy

ID: Admin-510 Division of Duties		Administration	
Effective Date: <del>03/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Overview

The Foundation has defined in the policies, procedures, and internal controls, duties that should be divided or separated when practical. This document discusses the concept of division or segregation of duties.

Duties that are not compatible are identified in the related policy and procedure documents.

### Who should read this Document?

It is the CFSC Treasurer, CFSC Assistant Treasurer, Executive Director, and Financial Advisors responsibility to ensure that duties are properly segregated or that proper controls are in place when duties cannot be ideally segregated.

### Discussion

One of the most important considerations in delegating office duties to employees is to be aware of and guard against employee fraud, theft, and embezzlement. Employees that handle the Foundation finances have the greatest opportunity to misappropriate Foundation funds. Although most people are honest and theft may not be a widespread problem, it does happen. The only cases of theft, fraud, and embezzlement you hear about are the ones in which someone actually ~~gets~~is caught. Both the Foundation and its employees must be cautious not allocate duties such that theft is easy because the door was left open.

Minimizing the opportunity for wrongdoing is not difficult. Read the internal control policy and implement the procedures. Understand the formula that leads to potential problems:

When practicable, the following three functions should be separated:

- Authorization (including signing checks)
- Record keeping (including entering accounting information)
- Custody of assets (including blank checks)

At a minimum, the CFSC Treasurer, ~~or Assistant Treasurer~~, Executive Director, or designee must review and approve the check positive pay file on the banking system.

The CFSC Treasurer, ~~or Assistant Treasurer~~, or Executive Director must review and approve the establishment of wire templates for recurring payments or the transmittal of a free form wire transfer. Once wire templates for recurring wires are approved authorized signers may process payment after normal approvals are received.

Duties that are not compatible and should be segregated, when practicable, include:

The custodian of an asset DOES NOT keep records of the asset

The record keeper DOES NOT check the records

The checker of the records DOES NOT review the checks

The approver DOES NOT enter data

The person who enters reference data DOES NOT enter transaction data

The contract maker DOES NOT raise/receive invoices

The raiser/receiver of invoices DOES NOT handle receipts/payments

<u>ASSET</u>		<u>TRANSACTION</u>		<u>OPPORTUNITY</u>
Custody of Customer checks without independent Mail Log	+	Input customer credits, adjustments or write-offs	=	Theft of cash
	+	Prepare / make bank deposits	=	Theft of cash
	+	Make collection calls	=	Theft of cash
	+	Reconcile Bank Account	=	Theft of cash
Open monthly bank statement	+	Reconcile Bank Account	=	Improper payments to vendors
Approve funds transfer and/or Bank Signatory	+	Reconcile Bank Account	=	Improper payment
	+	Input vendor master file	=	Improper payment
	+	Enter vendor invoices	=	Improper payment
	+	Input vendor/employee adjustments	=	Improper payment

## Financial Reconciliations

ID: Finance-050 Reconciliations		Financial Reporting	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Financial Reconciliations

#### Reconciliations

##### Cash Flow

The Financial Advisor's Finance Manager shall monitor the checking account balances and notify the Treasurer, ~~or~~ Assistant Treasurer, or Executive Director when fund transfers are necessary.

##### Bank Reconciliations

Bank statements are either downloaded directly or received unopened by the Financial Advisor's Finance Manager to reconcile the bank accounts.

The Financial Advisor's Finance Manager reconciles each account promptly upon receipt of the bank statements. All accounts are reconciled no later than 7 days after receipt of the monthly bank statements.

#### Bank Reconciliation Procedures

A comparison of dates and amounts to the daily deposits as shown on the bank statements and the accounting software and any cash receipt logs

A comparison of inter-organization bank transfers to be certain that both sides of the transactions have been recorded on the books.

An investigation of items rejected by the bank, i.e., returned checks or deposits.

A comparison of wire transfers dates received with dates sent.

A comparison of cleared checks with the disbursement journal including check number, payee and amount

An accounting for the sequence of check runs and hand checks including both from month to month and within a month.

A review and proper mutilation of void checks.

Investigate and write off checks and initiate a stop payment with the bank for those checks ~~which that~~ have been outstanding for more than six months.

The completed bank reconciliations are reviewed by the CFSC Treasurer, ~~and~~ Assistant Treasurer, and Executive Director and approved either by email confirmation or fax. A copy is also distributed to the Financial Advisor's Operations Manager.

Copies of the completed bank reconciliations are filed and retained according to the Records Management Policy.

#### **Reconciliations of Other General Ledger Accounts**

Each month the Financial Advisor's Finance Manager and Staff Accountant review the ending balance shown on balance sheet accounts such as the cash accounts, accounts receivable, and accounts payable ~~and deferred revenue~~.

The CFSC Treasurer, ~~or~~ Assistant Treasurer, and Executive Director review the bank reconciliations, schedules of accounts receivable and the aging of accounts payable to support the balances shown on the balance sheet.

#### **Balance Sheet Account Reconciliations**

- Cash including petty cash
- Prepaid Expenses
- Escrow Deposits
- Property and Equipment
- Liabilities including A/P

#### **Income Statement Reconciliations**

- By Revenue Type
- Expenditures by Type

## Financial Reporting Policy

ID: Finance-200 Financial Reporting		Financial Reporting	
Effective Date: <del>03/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 4

### Overview

All well managed entities have deadlines for the production and review of financial reports. This document communicates the Foundation financial reporting policy and specifies certain dates for information publication.

Listed below are the Foundation's minimum financial reporting requirements.

### Income Statement

The income statement for the previous month shall be produced by the earlier of the 10<sup>th</sup> business day of the current month or the first CFSC Board meeting of the current quarter. A month end Income Statement shall be included in the Monthly Report Binder.

Annual Income Statements will be completed and reviewed by an outside audit firm within 90 days of fiscal year end.

### Balance Sheet

The balance sheet for the previous month shall be produced by the earlier of the 10<sup>th</sup> business day of the current month or the first CFSC Board meeting of the current quarter. A month end Balance Sheet shall be included in the Monthly Report Binder.

Annual Balance Sheets will be completed and reviewed by an outside audit firm within 90 days of fiscal year end.

### Accounts Receivable & Accounts Payable Aging

The accounts receivable and accounts payable aging reports shall be produced and reviewed monthly. Month end A/R & A/P aging reports shall be included in the Monthly Report Binder.



### **Profit & Loss by Job**

The Profit & Loss by Job report will be produced by the earlier of the 10<sup>th</sup> business day of the month or the first CFSC Board meeting of the Quarter. All activity for the current month will be reconciled to the CFSC Transaction Planning Spreadsheet. A month end Profit & Loss by Job report shall be included in the Monthly Report Binder.

### **CDLAC Escrow Balance Report**

The CDLAC Escrow report will be produced by the earlier of the 10<sup>th</sup> business day of the month or the first CFSC Board meeting of the Quarter. All activity for the current month will be reconciled to the CFSC Transaction Planning Spreadsheet. A month end CDLAC Escrow Balance shall be included in the Monthly Report Binder.

### **Monthly Report Binder**

| The ~~Foundation Financial Advisors~~ will produce a monthly binder containing all of the previously listed monthly reports. It shall be ready for distribution to the CFSC Treasurer, ~~and~~ Assistant Treasurer, ~~and Executive Director~~ no later than the 15<sup>th</sup> business day of the current month.

## Accounts Receivable Policy

ID: AR-100 AR Policy		Accounts Receivable	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Purpose

CFSC Policy is to bill customers in a timely manner depending on the service being billed.

### Division of Duties

When practicable, more than one individual will be responsible for at least one of the following activities:

- Review and sending of customer invoices
- Customer master file maintenance
- Recording of charges
- Recording of cash collections
- Reconciliation of bank accounts

Approval of write-off requests and non-cash credits will be approved by management levels above the staff accountant.

### Billing and Invoicing

Prompt billing and invoicing for products and services provided by the CFSC are essential for effective management of receivables. Information must be maintained on the status of all unbilled accounts to insure that all actions necessary for the preparation of the invoice so that the invoice may be issued as expeditiously as possible.

### Responsibilities and Administration

The Financial Advisor's Finance Manager and Staff Accountant, unless described below, will administer all accounts receivable.

The Financial Advisor's Finance Manager and Staff Accountant will be responsible for monitoring the status of all receivables, billing, producing monthly statements, and performing the necessary collection activities to assure timely receipt of payments.

It is the responsibility of the Finance Manager to:

Ensure timely billings, unless contractual requirements specify otherwise.

- Accounts shall be billed when payment is received for application fees
- Accounts shall be billed at or before closing for new bond issuances
- Accounts shall be billed between thirty (30) and sixty (60) days prior to the anniversary date for annual administration fees

Maintain an accurate record of receivables transactions detail

Ensure the AR systems is effectively integrated with other applicable accounting systems

Provide and AR Aging report to management

Provide realistic estimates of doubtful accounts

Properly account for receivables that are written off

Recognize and report receivables in accordance with Generally Accepted Government Auditing Standards (GAGAS) as required

Maintain a record of year-end receivable balances

### **Provision for Bad Debts**

In order for realized revenue to be reflected properly, bad debts must be regularly recognized in the CFSC accounts. The CFSC shall establish and maintain a reserve for bad debts with regular charges against operating revenue. These charges shall be approved by the CFSC Treasurer or Assistant Treasurer. Detailed records of any amounts written off shall be maintained.

### **Physical Security**

Adequate physical security will be maintained over receivable records to protect them against loss or manipulation.

## Records Management Policy

ID: Records-100 Records Management		Policy and Procedure	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Purpose

This document describes the policy and procedure regarding the handling of records and files during the time period they are generally available and easily accessible.

### Discussion

Records Management is the systematic control, creation, maintenance, use, and disposition of records and files in order to achieve adequate and proper documentation of the policies, procedures, and transactions of the company.

A Records life cycle usually consists of four stages:

- Creation and receipt
- Maintenance and use
- Short Term Disposition
- Archive

The "Records Schedule" is the main tool used to manage the disposition and archive of records and files. A records schedule is a document that provides mandatory instructions for what to do with records when they are no longer needed for current business. ~~Also In Addition~~, it authorizes the final disposition of recurring or nonrecurring records. The Records Retention Procedures document contains the Records Schedule.

### Definitions

**Active records**

Current records needed to carryout day-to-day business.  
Access every month.

**Cutoff**

A point when active files become inactive files.

**Disposition**

The actions taken after the cutoff.

**File Plan**

The systematic framework for identifying, classifying, and filing of records.

<b>Historical Records</b>	Records that preserve a past event.
<b>Inactive Records</b>	Records no longer needed for day-to-operations.
<b>Records Owner</b>	The creator of the records; responsible for proper filing and disposal.
<b>Record or File Series</b>	A group of records that is intended to be maintained as a unit because they relate to each other.
<b>Retention Period</b>	The length of time from cutoff to disposal.
<b>Vital Records</b>	Records needed for operating in an emergency or exercising legal rights.

## Responsibilities

Every entity is legally required to manage its records. Records are the evidence of the CFSC's transactions and actions. Individuals are responsible for making and keeping records of their work. They have three basic obligations regarding records:

### Creation

You are expected to create the necessary records to do business including recording transactions, decisions, actions taken, and document activities for areas which you are responsible.

### Maintenance

Maintain and take care of the records so that information can be found when needed. This means setting up good directories and files, and filing materials (in whatever format) regularly and carefully in a manner that allows them to be safely stored and efficiently retrieved when necessary.

### Disposition and Archive

Carry out the disposition of records under your control in accordance with the ~~Archive Policy~~, Records Schedule, and government regulations.

All individuals shall notify the CFSC Board of Directors or Treasurer or their supervisor of any actual, impending, threatened, or unlawful removal, defacing, alteration, or destruction of records.

## Records Keeping and Filing Procedures

ID: Records-200 Records Keeping & Filing Procedures		Records Management	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 3

### Overview

The Company has established procedures for the storage and filing of records. In addition to the filing procedures outlined below you should also review ~~the~~ Records Management Procedure and Archive Policy Schedule.

### Filing

All filing done at the ~~company~~ CFSC is based on a system. Each set of files has keepers and users. Keepers are responsible for the proper maintenance of the files. Users require information contained in the files. Users borrow files from keepers. File keepers establish the rules file users must follow. Keepers may require a sign-out sheet. File keepers may permit direct access or require indirect access. Records Owners should conduct a periodic inventory of records to ensure accuracy of records information and the proper disposition of records. Regardless of whether the files are direct or indirect access, only file keepers will re-file borrowed files.

#### Records Keeping and filing procedures:

Identify what information is record material.

Develop and maintain a records index.

Review and update the records index as necessary.

Determine whether records can be cutoff and either stored or destroyed.

Destroy records when the retention period is reached.

Pack records to be stored in designated storage boxes.

Complete transmittal form and transfer records to Records Archive Area.

Update the records database, if applicable.

Maintain and protect vital records as indicated.

## **Centralized versus Decentralized Files**

### **Centralized Files**

In centralized files, the files of a unit are maintained in one location. Consider locating files in a centralized file when:

- More than one work unit has need for the same files.
- Units are sufficiently near the central file for prompt service.

### **Decentralized Files**

Consider locating files in a decentralized file when:

- Files are of interest to only one work unit.
- Centralized filing is too distant for efficient service.
- Information must be immediately available to the creator.
- Constant reference is made to the files by a particular organizational unit.

## **Filing Systems**

Customize this section to the filing systems used at your business.

### **Alphabetic Filing**

The CFSC will utilize the alphabetic filing system. Alphabetic filing is sometimes referred to as the “Dictionary” method of filing when files are organized strictly in alphabetical order. Sometimes Alphabetic filing will be referred to as “encyclopedic” when classifications are organized by major sub-heading or geographic distinctions are organized alphabetically.

Alphabetic files include:

- Accounts Receivable Customer files
- Accounts Payable Vendor Files
- Borrower Transaction Files
- Borrower Compliance Files

## **Maintaining Files**

Neatness and orderliness are essential to filing efficiency. The following instructions will assist in maintaining this efficiency.

### **Identify File Drawers**

Label file drawers to indicate what files, subjects, or names are filed in them. Indicate the year, if appropriate. The disposition schedule number may also be placed on the drawer label.

### **Prevent Overcrowding the Files**

Allow at least four inches of space in each active file drawer to permit sufficient working space.

### **Keep Papers Straight**

When placing material in file folders, do not let the papers extend beyond the edges of the folders. Crease or fold papers when necessary.

### **Avoid Overloading File Folders**

If the contents of the folder increase to the point that papers begin to obscure folder labels, then crease the bottom of the folder leaves at the second expansion line to increase the capacity of the folder. When the folder content reaches 3/4 inches, either:

- (1) Add a new folder bearing the same file designation in front of the full folder and show inclusive dates on the folders; or
- (2) Subdivide the contents of the folder, if practical, by adding new file designations.

### **Avoid Cluttering the Files**

Bulky material should be filed in equipment suitable to its size and not mixed with standard size documents. This material can be cross referenced so that it can be readily identified with the related papers in the regular files.



## Records Schedule

ID: Records-200 Records Schedule		Records Management	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Overview

The purpose of this policy is to establish standards for the retention of business and financial records by the Company.

It is the policy of the Company to maintain retention practices that are in accordance with generally accepted accounting principles and meet or exceed all statutory or regulatory requirements.

The Consultants, with oversight from the Treasurer / Secretary, are responsible for:

- Maintaining this schedule
- Monitoring statutory requirements
- Ensure the Company records are in accordance with this schedule.

The table below represents minimum retention standards for the records and documents listed. Any deviations below the minimum standards on this schedule must be approved by the Controller / CFO.

	Retention	Series	Medium	Location
Accounts payable ledgers and schedules	7			
Accounts receivable ledgers and schedules	7			
Audit reports of accountants	P			
Bank Reconciliations	3			
Bank Statements	P			
Borrower Financials				
Borrower Applications				
Bond Documents				
Cash Books	P			
Chart of Accounts	P			
Checks – Cancelled	P			
Corporate Minute Books of Directors & Stockholder Meetings	P			
Corporate Paper and Bylaws	P			
Correspondence (legal and important matters only)	P			
Correspondence (general)	3			
Correspondence (routine) with customers or vendors	1			
Deeds, mortgages and bills of sale	P			

	Retention	Series	Medium	Location
Depreciation Schedules	P			
Duplicate Deposit Slips	1			
Financial Statements (end-of-year, other months optional)	P			
Fixed Asset ledgers	7			
Insurance Policies (expired)	7			
Internal Audit reports	7			
Internal Control Evaluations	7			
Invoices from vendors	7			
Journal Entries	P			
Tax Returns and worksheets	P			

## Risk Management Policy

ID: Risk-100 Risk Management Policy		Risk Management	
Effective Date: <del>02/01/12</del> 09/19/14	Last Revision: <del>02/01/12</del> 10/12/12	Version: 10.0	Total Pages: 2

### Overview

Risk management is defined as the identification, assessment, and mitigation of risks that may interfere with the CFSC achieving its objectives.

Risks may be entity oriented and threaten CFSC assets like; people, property, internal change, downsizing, rapid growth and expansion and CFSC finances.

They may be market oriented like; the market economy, competition and reputation. They may be environmentally oriented like; the overall economy, politics, legislation, elections, zoning, and natural catastrophes.

The greatest risk however, is when the CFSC fails to maintain the highest possible concern for its stakeholders and particularly the public.

### Policy

The CFSC shall continually seek to identify, assess, and mitigate the risks facing its business. Risk management shall be an integral part of the strategic planning process.

The objective of the Risk Management Policy and process is to:

- Provide a framework to manage risk.
- Promote risk awareness within the organization.
- Protect CFSC assets.
- Identify unmitigated risk and implement action plans for mitigation.

### Responsibilities

The Treasurer and Assistant Treasurer are responsible for implementation of the risk management process. All CFSC Board Members, and Financial Advisors and the

| [Executive Director](#) are responsible for participating in the risk management process and managing risks in their areas of the business.

### **Risk Appetite**

Risk appetite is the amount of risk that the CFSC is willing to take in pursuit of its objectives.

### **Integrity and Ethical Values**

An entities' culture is directly related to its risk appetite. It is the CFSC Boards' responsibility to ensure the CFSCs' culture is closely aligned with the risk appetite and strategic/business plans.

### **Discussion**

#### **Risk Identification**

The CFSC classifies risks as compliance, operational, reporting, financial, or strategic.

Risk management shall occur as a result of consideration of findings from audits, evaluations, and other assessments.

| Risks that are identified at the Financial Advisor [or Executive Director](#) level shall be brought to the attention of the Treasurer or Assistant Treasurer.

#### **Risk Mitigation**

In order to influence the likelihood of occurrence and/or impact to stakeholders, risks can be avoided, reduced, shared, or accepted.

Can you:

- Buy insurance
- Lower prices
- Work with your insurer on loss control and prevention
- Improve internal controls
- Re-think your exclusions
- Not work for certain customers (loss avoidance)
- Become more involved in the community



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## **FY 2014 AUDIT**

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**Subject:** FY 2014 Audit

**Meeting:** September 19, 2014

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**Background:**

The CMFA and CFSC are required to have an audit of the general purpose financial statements conducted each year by an independent audit firm. At the May 23, 2014 Board meeting, the CMFA & CFSC selected Macias Gini & O'Connell ("MGO") to audit the respective entities.

**Recommendation:**

The Executive Director recommends that the CMFA Board of Directors Authorize the Audit Subcommittee to finalize the FY 2014 audit.



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## **PROCEDURAL ITEMS FOR THE CFPF SUMMARY AND RECOMMENDATIONS**

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Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CFPF, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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